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# O'Dwyer's Newsletter

The Inside News of  
PR and Marketing  
Communications

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## MARGARITIS CHECKS INTO HILTON

Bill Margaritis, a 33-year communications veteran, is joining Hilton Worldwide later this month as executive VP-corporate affairs.

Most recently senior VP-global communications and investor relations at FedEx Corp., Margaritis will take charge of global internal/external PR, government relations and corporate social responsibility. He'll report to CEO Christopher Nassetta and serve on the company's executive committee.



Margaritis

"After an extensive and thoughtful search, Bill stood out as a highly respected and seasoned leader with a proven track record and the right combination of experience," said Nassetta in a statement. Prior to FedEx, Margaritis was VP-PR & marketing communications for Europe, Africa, Middle East & Southwest Asia for Bechtel Corp. and manager for state government affairs for Occidental Petroleum.

He was special assistant for intergovernmental affairs for former Commerce Secretary Malcolm Baldrige.

## IN NAT'L GUARD SLATES RECRUITMENT PR

The Indiana branch of the Army National Guard has cast about for an agency to guide a PR and marketing campaign to recruit and retain members.

A firm is expected to incorporate the Guard's branded national agenda while developing a strategic communications plan, identifying new opportunities for enlistment in the Guard, and enhancing its reputation, among other efforts.

The Indianapolis-based Guard released an RFP with a Sept. 14 deadline. RFP: <http://odwpr.us/1hiO5uu>.

## WALMART VP OF IR TO DEPART

Carol Schumacher, VP of investor relations for Walmart who held top comms. posts at Kerr-McGree and Home Depot, is leaving the retailer after 11 years this month.

A Walmart spokesman told O'Dwyer's Schumacher is relocating to the Southeast with a new company and post that has not yet been announced.

She will stay on through its quarterly earnings, exiting on Aug. 21. Pauline Mohler, senior director of corporate finance, will cover the post as the company conducts a search for a replacement.

Schumacher was VP of corporate affairs for Walmart before moving to the IR role in the mid-2000s. She was SVP of corporate affairs at Kerr-McGee, VP of PR for Home Depot and EVP for Edelman and Cohn & Wolfe, among other agency posts.

## NEWSWIRES HACKED: SCHEME REAPED \$100M

Authorities have broken up a global fraud scheme that hacked into three major newswires since 2010 and reaped \$100M in illicit profits by trading on the information in press releases before they were disseminated.

Business Wire, Marketwired and PR Newswire were infiltrated in the scheme as recently as May 2015, according to the federal complaints unsealed Aug. 11.

The Securities Exchange Commission announced civil fraud charges against 32 people in the operation, while criminal charges against nine people were filed in two indictments unsealed by the US Attorneys for New York and New Jersey. "These hackers and traders are charged with reaping more than \$100 million in illicit profits by stealing nonpublic information and trading based on that information," said SEC Chair Mary Jo White. "That deception ends today as we have exposed their fraudulent scheme and frozen their assets."

Business Wire said it hired a prominent cybersecurity firm to conduct forensic testing of its systems. "Despite extreme vigilance and commitment, recent events illustrate that no one is immune to the highly sophisticated illegal cyber-intrusions that are plaguing every aspect of our society," said BW CEO Cathy Baron Tamraz, who noted the company conducts multiple security audits annually.

Marketwired has engaged Levick in Washington for PR counsel regarding the hack. "Protecting our customers' information is one of our highest priorities," said a Marketwired spokesman. "We found and fixed the issue at the heart of this matter and we are confident that Marketwired is protected by world-class security, monitoring and prevention practices."

(Continued in page 2)

## MARRIOTT PICKS PRIMROSE FOR PR

Marriott International has picked Tricia Primrose for the global chief communications and PA officer slot.

She joins from Rational 360, where she counseled corporate clients since 2013.

Primrose did a dozen year stint in the PR department of AOL, rising to the top as executive VP-global communications & PA.

In that capacity (2007-2011), she led a 50-member team, handling corporate matters, PA, internal relations, publicity, event marketing and philanthropy.

Prior to AOL, Primrose was executive VP at Robinson Lerer & Montgomery and communications director for Sen. Richard Shelby of Alabama.

At Marriott, she'll handle image/reputation, communications planning, CSR, and government relations.

## NEWSWIRES HACKED (Cont'd from page 1)

PR Newswire CEO Robert Gray said his company is also cooperating with investigators and commended the government for its "diligence and continued focus." He added: "At PR Newswire, we take security very seriously and are dedicated to protecting our information and systems."

All three companies said they cooperated with authorities in the investigations.

### **Ukrainians Lead Plot**

Masterminds of the scheme were two Ukrainian nationals -- Ivan Turchynov, 27, and Oleksandr Ieremenko, 23 -- who allegedly worked with traders in the US, Ukraine and Russia. Turchynov and Ieremenko masked their identities online by posing as newswire employees and customers and recruited traders with a video touting their ability to gain information before its public release.

The scheme even reached the point where traders created "shopping lists" or "wish lists" for the hackers, listing desired press releases from Marketwired and PR Newswire, the Dept. of Justice said.

The SEC complaint says the perpetrators hacked into the newswire systems from 2010 to 2014, stealing more than 100,000 press releases before they were publicly issued.

The SEC complaint notes that many of the releases contained earnings results and forecasted earnings for companies like H-P, Home Depot, Panera Bread and Caterpillar.

"The defendants were a well-organized group that allegedly robbed the newswire companies and their clients and cheated the securities markets and the investing public by engaging in an unprecedented hacking and trading scheme," U.S. Attorney for New Jersey Paul Fishman said.

Five traders in the US were arrested Aug. 11, while international arrest warrants have been issued for the two Ukrainian principals and two other traders facing criminal charges.

## BALTIMORE POLICE GET A NEW PR HEAD

The embattled Baltimore Police Department has brought in a civilian as its new top spokesman, following the exit of a 13-year police officer in the post in July.

T.J. Smith, a 16-year veteran of the Anne Arundel County Police Dept. south of Baltimore, has joined the BPD as director of media relations.

The US Dept. of Justice is investigating the Baltimore PD in the wake of large protests against police this year that followed the death of a 25-year-old man, Freddie Gray, while in police custody.



**Smith**

Interim BPD Commissioner Kevin Davis called Smith a "native son" of the city and "trusted voice" over 16 years in his previous post. "There is a cosmic shift in thinking underway in modern policing and this situation highlights the importance of communication and will become a model in law enforcement," he said.

Smith will work as a civilian with the BPD with a

salary of \$120,000 per year.

BPD Capt. Eric Kowalczyk stepped down after two years as the force's spokesman this year and formed PR shop The INVIA Group to advise law enforcement on messaging.

## RUBENSTEIN RUNS RWANDA TOURISM PUSH

Rubenstein PR has a six-month contract with Rwanda Development Board's tourism and conservation unit to promote the African country's culture and attractions.

A key element of the campaign will involve publicity for Rwanda's 11th Kwita Izina gorilla naming ceremony, a Sept. 5 celebration held in the foothills of Volcanoes National Park to celebrate the country's conservation efforts.

The government reports a 26.3 percent rise in the gorilla population since 2003.

More than 160 baby gorillas received names since Kwita Izina began ten years ago.

Earlier this year, Rwanda marked the 21st commemoration of the 1994 genocide in which the majority Hutu population slaughtered from 500,000 to 1M members of the minority Tutsi community.

From April 7 though July 4, Rwanda honored victims and survivors of the genocide and conducted events to promote unity and hope for the future of the nation.

## RHODE ISLAND BUSINESS HUB SEEKS PR

Quonset Business Park, the former Rhode Island military base the state revamped into a corporate haven, is looking for PR support.

Under the direction of the Quonset Development Corp., the park wants a PR and media relations firm to support its efforts in the Ocean State with the public, local and state governments.

Naval Air Station Quonset Point was deactivated in 1974, but the state and federal government have spent more than \$666M over the years improving the 3,200-acre site, while private companies invested more than \$1B. Around 175 companies have a presence in the park, which includes rail access, an airport, and the Port of Davisville, a major auto import site.

An RFP calls for proposals by Sept. 1. RFP: <http://odwpr.us/1JmuRjK>.

## GOLDSTEIN TO OGILVY'S CORP PRACTICE

Nancy Goldstein, a VP for Burson-Marsteller, has moved to Ogilvy PR in New York to lead its work for 3D Systems, the 3D printing pioneer.

Goldstein takes a VP role in Ogilvy's corporate practice under executive VP Nicky McHugh, who heads that unit in New York.

In addition to external relations and thought leadership for 3D Systems, Goldstein will handle fashion trend forecasting and analysis firm WGSN and other global accounts.

Her client run over nine years at Burson included Intel, Johnson Controls, Bayer and Accenture, among others.

**NEWS CORP. PULLS PLUG ON ED UNIT**

News Corp. chief Robert Thomson is putting the Amplify electronic learning/curriculum platform unit on the auction block to rid the media company of the money-losing operation.

Former chief Rupert Murdoch shelled out \$360M in 2010 to purchase Wireless Generation, which was re-named Amplify, and installed New York City Education chief Joel Klein to run the show.

News Corp. is now ending the production of tablets for schoolchildren and curbing marketing efforts to attract new customers for Amplify.

Thomson told analysts News Corp. is in "advanced stages of negotiations" with a buyer for the remaining education business.

Klein said it's time to work "with partners who share a deep understanding of what it takes to be successful in education."

The company is taking a \$371M "impairment" charge for Amplify.

Due to restructuring charges, News Corp reported a \$379M loss for Q4 ended June compared to a \$12M year ago profit.

Thomson said the company had a strong Q4 finish to a good fiscal year, bolstered by businesses such as realtor.com.

The news and information services group (*Wall Street Journal*, *Sun*, *New York Post*, *Times of London*, *The Australian*,) recorded a 29 percent rise in profit (EBITDA) to \$169M in Q4 on a 10 percent dip in revenues to \$1.4B due to a decline in ad sales.

Thomson sees fiscal 2016 as "an opportunity to build on the sound and profitable platform we have collectively created."

**PEARSON SELLS STAKE IN THE ECONOMIST**

Pearson is selling its 50 percent stake in *The Economist* to its investment partners for \$730M.

The divestiture marks the British company's exit from the media business that began last month with the \$1.3B sale of the *Financial Times* to Japan's Nikkei Inc.

Pearson says it will focus on its global education businesses.

The Economist, which launched in 1843, has a 1.6M circulation and earned \$93M on \$500M revenues for the fiscal year ended March 31.

Pearson's divestiture includes Economist.com, Economist Intelligence and CQ Roll Call.

Italy's Exor SpA is now the biggest shareholder in the Economist with a 27.8 percent stake.

Exor is the holding company of the billionaire Agnelli family, which is a big stakeholder in Fiat Chrysler Automotive and Italian newspaper La Stampa.

Pearson expects the Economist transaction will be completed during the fourth quarter.

**NBCU INVESTS \$200M IN VOX**

NBCUniversal is paying \$200M for an equity investment in Vox Media, parent of Vox.com, SB Nation, The Verge, Curbed, Re/code, Polygon, Racked and Eater.

Steve Burke, NBCU chief, praised Vox's portfolio of brands that deeply engage broad audiences.

"Vox Media has strong leadership, top editorial talent and a unique technology platform," he said in a statement. "We are excited to making this investment and building a collaborative partnership involving editorial content, advertising and technology."

Jim Bankoff, Vox CEO, considers NBCU "the perfect strategic partner."

He believes NBCU's properties work well with Vox's "authoritative, voice-driven brands which span sports, tech, news, fashion, food and more."

Vox plans to work with NBCU in areas such as programming, advertising, cross-promotion and platform technology, according to Bankoff.

**RUBENSTEIN HIRES NY TIMES VET**

Bill Goss, a 23-year veteran of the *New York Times* and editor of its Sunday real estate section, has joined Rubenstein Associates.

He will counsel on real estate matters, mentor executives and serve as strategic advisor to president Steven Rubenstein and executive VP Rick Mathews.

Prior to walking the real estate beat, Goss served as editor at the Style and Metropolitan desks.

"Bill's experience, wisdom and knowledge – coupled with his innate ability to identify compelling narratives – will be invaluable to our clients and our practice," said Steve Rubenstein in announcing the Goss hire.

Chairman Howard Rubenstein founded his New York-based shop in 1954.

Clients include Toll Brothers, Silverstein Properties, HBO, and the New York Yankees, among others.



**Goss**

**TURNER TAKES STAKE IN ISTREAMPLANET**

Turner Broadcasting System has purchased a majority stake in iStreamPlanet, a top provider in live event and OTT video programming.

CEO John Martin said the partnership would expand the Time Warner unit's capacity to offer live events within and outside the broadcaster's traditional ecosystem.

He expects opportunities to use iStreamPlanet's technical savvy to cultivate new digital platforms.

Mio Babic, who founded the Las Vegas-based video operation in 2000, called Turner a "media powerhouse with tremendous reach via their entertainment and live sports programming."

Turner and iStreamPlanet have worked together during the PGA Championship.

Martin said "there is no one better in the business" than his new investment target.



## PR & SOCIAL MEDIA VIEWS

### UNDERSTANDING THE SOCIAL ROLE OF A CORP

By Joe Fisher & Amy Binder

More companies have become invested in the practice of corporate social responsibility. As the tides of social sentiment change among the public, companies are exhibiting greater sensitivity to justice, diversity, and inclusivity than ever.

Evidence now suggests that companies making social investments also outperform their peers in terms of stock price, sales growth, and profitability. Corporate social responsibility isn't just an issue of doing the right thing — it's also good for business.

Frank Bruni of the *New York Times*' recently commended Walmart, Sears, Boeing, and BMW speaking out against the Confederate flag, and Eli Lilly, American Airlines, Intel and other companies that were "crucial to the defeat or amendment of proposed 'religious freedom' laws in Indiana which licensed anti-gay discrimination."

He added Apple, AT&T, Caterpillar, Facebook, Goldman Sachs, Google, McDonald's, Marriott and Microsoft, who, along with 238 other companies, signed a Chamber of Commerce letter urging Congress to modernize the nation's immigration system.

In raising their voices, these companies were demonstrating greater sensitivity to diversity, social justice, and the changing tides of public sentiment than the lawmakers elected by the public, according to Bruni.

Bruni added: "It forces you to admit that corporations aren't always the bad guys. Sometimes the bottom line matches the common good, and they're the agents of what's practical, wise and even right."

#### CSR Popularity Grows

Those of us in PR know just how controversial this kind of corporate involvement and corporate social responsibility has always been. But there has been a series of recent developments with serious financial and investment implications that indicate we are entering a new phase in defining the proper social role for the corporation.

Now, a study from Nielsen reports that 55% of consumers across 60 countries are willing to pay more for products and services from companies committed to having a positive social and environmental impact.

Corporate leaders have come to understand this. The media, traditional and online, understand this as well. Their audiences are interested in corporate social behavior, whether good or bad. They're interested in reporting it as news and in developing it into feature content.

The annual rankings of corporations' CSR performance are a prime example. Fortune's "World's Most Admired Companies" ranking has been so successful that they've recently added "The 100 Best Companies To Work For" and "The 100 Best Workplaces for Millennials."

#### Companies See CSR Benefits

It's not surprising that a large number of corporations are now issuing their own CSR performance reports. Companies want to communicate their own CSR story.

Twenty years ago, fewer than 30 companies worldwide, released this kind of data. By year's end, that number will have climbed to more than 7,000, including 80% of the world's largest 250 companies.

In a natural evolution, companies are also publishing

formal corporate sustainability strategies. These detail the company's policies, actions and investments on specific environmental, social and governance factors.

The potential significance of these factors in evaluating corporate social behavior cannot be overestimated.

To underscore this from a financial and investment perspective, the Harvard Business Review in April reported the results of a groundbreaking study, "Corporate Sustainability: First Evidence on Materiality" conducted by Mozaffar Khan, George Serafeim and Aaron Yoon (March 9, 2015).

This analysis provides tangible evidence that companies making investments on ESG factors outperform their peers in terms of risk-adjusted stock price performance, sales growth, and profitability margin growth. And it offers valuable guidance to companies and investors in selecting strategically material ESG initiatives to maximize performance results.

The researchers noted that their study was made possible by the data infrastructure recently developed by the Sustainability Accounting Standards Board. SASB is a new policy organization — and, for full disclosure, an RF|Binder client — that has been formed to develop and disseminate sustainability accounting standards that identify material ESG issues with financial implications and help public corporations disclose material, decision-useful information to investors.

#### CSR of Future

With Michael Bloomberg as chairman and former SEC chairperson, Mary Shapiro, as vice chair, SASB is making its case aggressively. As they enter their next phase in 2016, SASB will put the processes in place that will enable corporations to begin to integrate this into their regular reporting. SASB's sustainability accounting standards will greatly improve the process of review and selection regarding appropriate ESG factors from both a company and an investor perspective.

Certainly SASB's timing couldn't be better. CalPERS, the California-based organization that administers health and retirement benefits on behalf of more than 3,000 public school, local agency and state employers, announced in May that it will now require its investment managers to integrate ESG factors into their investment decision-making process.

Recent data from the Forum for Sustainable and Responsible Investment identifies 308 money managers and 880 community-investing institutions that currently incorporate ESG issues into their investment decision-making.

That represents \$4.8T in assets under management, which is 3.4 times the corresponding figure for 2012, when money managers and community investing institutions held \$1.4T in ESG assets under management.

Those numbers alone signal a new phase in the evolution of corporate social responsibility. Along with these other recent developments, it is clear that a confluence of technology and public attitudes is expanding the criteria against which corporate behavior will be measured in the future. The implications are unmistakable. CSR is becoming strategically material for public relations professionals.

*Joseph Fisher is vice chairman and Amy Binder is CEO of RF|Binder.*

## NEWS OF PR FIRMS

### AL GOLIN JOINS STAFFERS TO VOLUNTEER

Thousands of Golin staffers worldwide are doing volunteer work this month to celebrate the birthday of Al Golin.

The 86-year-old founder of Interpublic unit provided hands-on support today at Ronald McDonald House Charities of Chicagoland & Northwest Indiana site at Lurie Children's Hospital.



More than 200 Chicago staffers are slated to do volunteer work during "Al's Week" (Aug. 10-14).

"Seeing our employees Go All In together in support of such valued and beneficial organizations is more than I could ask for on my birthday each year," Golin said of the firm's community outreach effort.

Golin was born June 19. A staffer told O'Dwyer's that this year August worked best for Al's Week because he had planned to be in Chicago. "We say it's 'around his birthday,'" she explained.

### PA PROS ALIGN WITH CASHMAN + KATZ

Political operatives Andy Arens and John Kleinhans have formed PA shop Octagon Strategy Group in partnership partnering with Boston-based Cashman + Katz Integrated Communications.

Arens and Kleinhans serve as managing directors of C+K. Kleinhans was executive director of the Connecticut GOP, while Arens served as New England deputy director of the American Israel PA Committee.

The duo said Octagon is a bi-partisan shop.

C+K president and CEO Tony Cashman added that it's "an exciting time to be in public affairs."

**BRIEFS: Frederick & Associates**, Los Angeles, said it has tailored a crisis PR program for churches. "Unfortunately, crises are becoming alarmingly too common in our schools and are now moving into our churches," said F&A president Hunter Frederick, who added that churches need to be more proactive.

## NEW ACCOUNTS

### New York

**Laura Davidson PR**, New York/Travel Portland (Ore.), as AOR for PR to promote tourism to the city.

**KCSA Strategic Communications**, New York/RR Media, digital media services for the broadcast and media industries, for support of the publicly traded company's IR program. Jeffrey Goldberger, managing partner at KCSA, heads the account.

**Tartaglia Communications**, New York/Alzheimer's Drug Discovery Foundation, to launch the Melvin R. Goodes Prize for Excellence in Alzheimer's Drug Discovery. The inaugural award will be announced in September and is the first focused specifically on scientists working on Alzheimer's drugs.

**North 6th Agency**, New York/WhoSay, social media and content platform for celebrities and influencers, as AOR for PR, including media relations, strategy and creative development, and marketing support.

**PCG Advisory Group**, New York/IsoRay, medical technology company, for IR, PR and digital comms.

**Luna+Eisenla media**, New York/Organization for Refuge, Asylum and Migration, ORAM, advocacy group for LGBTI refugees fleeing persecution, for comms. and media awareness, including thought leadership in the global human rights and LGBT arenas.

### East

**marlo marketing**, Boston/Locke-Ober, Boston eatery slated to open as Yvonne's in September; Ocean Prime eateries from Mitchell Restaurant Group; restaurant group behind Journeyman and backbar (Somerville, Mass.), Ames Street Deli and Study (Cambridge, Mass.), as AOR, and the 10th Annual StarChefs International Chefs' Congress.

### Southeast

**Trevelino/Keller**, Atlanta/The Gathering Spot, private business club, as integrated PR and digital marketing AOR for its official launch and national expansion slated for 2016. TGS is geared toward professionals seeking a networking community, flexible 24/7 work environment, and amenities.

### West

**Ogilvy PR**, San Francisco/Singularity University, Silicon Valley-based executive education program provider and start-up accelerator; Smappee, Belgian developer of an Internet-connected energy management system for homes; Axosoft, enterprise project management tools, all for PR through the firm's Espresso unit focused on early-stage tech companies.

**Landis Communications**, San Francisco/ OnLok Life-ways, healthcare for seniors; Art Silicon Valley Art San Francisco; Shanti Project, social service program for people living with HIV/AIDS and breast cancer; UDR, real estate, and 399 Fremont Street, real estate, for PR.

**The Brand Amp**, Newport Beach, Calif./Mitsubishi Motors North America, as AOR for PR, including brand and product communications, support of its media bureau, and auto show presence. Don Swearingen, executive vice president of MMNA, said TBA came to the table with a "deep understanding" of his company's business needs.



**NEWS OF SERVICES****LEVETON REJOINS PENN**

Jay Leveton, former CEO of Penn Schoen Berland, is the new partner at Stagwell Group, investment advisory shop helmed by research guru Mark Penn.

Leveton stepped down from PSB and executive VP at Burson Marsteller in July. He was replaced by co-CEOs Curtis Freet and Jon Penn, nephew of Mark Penn.

Stagwell, which plans to invest in advertising agencies, PR firms, data analytics and digital marketing entities, was launched in June with \$250M in initial capital. Former Microsoft CEO Steve Ballmer is a "core investor."

Penn called Leveton a "perfect fit" for Stagwell due to his research and analytics background and knowledge of running marketing services business at scale.

**COURT ORDERS GOV TO RELEASE MEDIA LIST**

A New Jersey court has ordered Gov. Chris Christie's administration to release its list of 2,500 press contacts, following a suit by a watchdog group in the Garden State.

Superior Court Judge Mary Jacobson denied the governor's request for reconsideration on Aug. 7, reaffirming a May 29 order and setting a deadline to release the list by Aug. 17 to New Jersey Watchdog.

The suit was brought under the state's Open Public Records Act, and followed an earlier suit by WNYC, which was allowed to view the list but not receive a copy. The Christie administration argued that its "Gov News" list was proprietary information that would give the watchdog group an unfair advantage over reporters and news organizations lacking the info.

Christie press secretary Kevin Roberts said in a court filing that a recipient of the list "could extract tremendous value from it," including using it to distribute his or her own news for financial benefit. He offered to allow the group to view the list in the press office, rather than give it a copy.

Jacobson cited a court filing by North Jersey Media Group, a large newspaper publisher in the state, countering Roberts' arguments about the value of the list to be persuasive. The judge also chided the Christie administration for its request to reconsider the ruling and said the governor's motion "contradicts the spirit of the Open Public Records Act."

The watchdog group, which has been critical of Christie's 16-staffer PR operation, lost a second part of its suit, however, as the court denied access to the governor's expenses related to out-of-state travel while running for president.

**BRIEF: Democratic Senators** Michael Bennet (CO) and Al Franken (MN) on Aug. 5 introduced the "Close the Revolving Door Act of 2015" to permanently ban Congressmen from becoming lobbyists after they retire. Current law bans Senators for two years from lobbying once they are out of office while House members are barred for a single year. The measure "prohibits lobbyists from working with Congress and Committee with whom they had a substantial lobbying contract for a period of six years."

**PEOPLE****Joined**

**Jon Harris**, a top PR exec for Hillshire Brands, Sara Lee and Bally Total Fitness, to ConAgra Foods, Omaha, Neb., as chief communications officer.

ConAgra has undergone a management overhaul led by new CEO Sean Connolly, the former Hillshire Brands chief. Harris was chief communications officer at Hillshire under Connolly from 2012 until its acquisition by Tyson in 2014. He was previously senior VP of global comms. for Sara Lee Corp. and VP of media development and comms. for Bally. He started out in the agency realm with Ketchum and Medicus PR. ConAgra CMO Joan Chow stepped down this month.

**Harris**

**Caitlin Hayden**, former spokeswoman for the National Security Council and special assistant to President Obama, to Edelman in Washington as a senior VP in its media and technology unit. Hayden, who left the NSC in October and was a top foreign policy voice for the administration, is a former deputy PA officer for the US Embassy in Kabul and held State Dept. posts since 2001. Edelman said Hayden will develop media strategies for clients and help them "tell their narratives through content creation."

**Hayden**

Bernadette Meehan took the reins as NSC spokeswoman on Hayden's exit.

**Isaac Squyres**, who founded and ran his own PA shop, Squyres Strategic Comms., to Jarrard Phillips Cate & Hancock, Brentwood, Tenn., as a senior executive advisor. He was a partner at DaviesMoore and Gallatin PA after starting out with McNeely Pigott & Fox PR. **Emily Serck**, a five-year JPC&H vet and DCI Group alum, was promoted to SEA, as well.

**Oliver Handlos**, executive creative director and managing director, Grey Berlin, and **Elizabeth Valleau**, exec. creative dir., Trollback + Co., to co-creative leads for Grey New York's Activation & PR unit.

**Handlos, Valleau**

**Colleen Brett**, creative director, HLG Communications, to Tonic Life Communications, Philadelphia, as creative director. **Thomas Chaump**, marketing comms. manager, Good Shepard Penn Partners, and **Julia Devaney**, PR manager, Cancer Treatment Centers of America, join as VPs and **Jennifer Gallo**, a ten-year TL staffer, was promoted to VP.

**Linsey Beford**, nat'l sales manager, American Varsity Sports, to Derek Farley PR, Charlotte, N.C., as senior business dev. specialist.

**Gallo**

**Sebastian Hale**, A/E, Lou Hammond & Assocs., to rawlemurdy, Charleston, S.C., as an A/C.

## **AZERBAIJAN'S OIL CO HIRES DC HANDS**

Point Strategies and Global Policy Initiatives have gone to work for Azerbaijan's national oil company, which was the focus of a Congressional ethics probe for funding all-expenses paid trips for 10 US Congressmen and 32 staffers.

The firms began PA and government affairs duties for State Oil Company of Azerbaijan Republic (SOCAR) on July 1.

The contract is worth a combined \$25K per month on a month-by-month basis. 30 Point receives the bulk of the fees, \$17,500.

The US lawmakers attended the "US-Azerbaijan Convention" held in the former Soviet republic in 2013. The event occurred a year after SOCAR pitched Congress to exclude a \$28B natural gas pipeline project from US sanctions on Iraq, according to the *Washington Post*.

SOCAR allegedly funneled \$750K through non-profit groups in the US to cover up its funding of the conference. The Post also reported that SOCAR paid hundreds of thousands to cover the US delegations travel expenses plus gifts of scarves, rugs and other items.

The House Ethics Committee wrapped up its probe into the matter on July 31, clearing the lawmakers of wrongdoing.

The Justice Dept. is reviewing the case.

Joshua Silberberg, former communications director at Israel's Washington embassy, is working the business from 30 Point.

Jay Footlik, former special assistant for President Clinton and White House liaison to the Jewish community, and Gabe Ross, who worked at the US Chamber of Commerce as senior manager for Turkey and the Middle East, handle matters at Global Policy Initiatives.

## **H+K BOLSTERS MARCOMM OFFER**

Hill+Knowlton Strategies has added senior VPs in New York and Los Angeles to bolster the WPP unit's marketing communications practice.

Jennifer Weldon, Edelman alum, punches in Aug. 25 to add digital/social programming, influencer engagement and media relations savvy to H+K.

In her 10-year run, Weldon has worked with beauty, lifestyle, wellness, food, consumer tech and packaged goods marketers.

DeVries Global veteran Ted Donath has checked into H+K's southern California outpost.

He's handled campaigns for Procter & Gamble, Samsung Mobile and Celebrity Cruises.

Molly O'Neil helms H+K's US marketing communications group.

## **SLOANE, KEKST IN DOW'S AGROFRESH SALE**

Sloane & Company and Kekst and Company worked M&A PR for Dow Chemical's \$810M sale of its AgroFresh specialty chemicals business to Boulevard Acquisition Corp., a publicly traded investment vehicle of Avenue Capital Group.

Collegeville, Pa.-based AgroFresh, now AgroFresh Solutions, offers chemical products and services for the fresh produce storage and transport markets. The sale, announced in late April, closed on July 31 with Boule-

vard taking the AgroFresh name under the Nasdaq symbol AGFS. Sloane senior VP Erica Bartsch represented AgroFresh on the PR front, while Kekst SVP Todd Fogarty worked the Boulevard side.

## **ABMAC WORKS BUFFETT BLOCKBUSTER**

Abernathy MacGregor Group is providing outside PR counsel to Precision Castparts as the aerospace components maker inks a deal to be sold to Berkshire Hathaway for \$32.3B.

The \$235-per-share deal marks Warren Buffett's largest takeover and news of the Berkshire Hathaway investment in the industrial sector buoyed US markets Aug. 10. In a statement, Buffett said he has long admired PC, which he called the "supplier of choice for the world's aerospace industry, one of the largest sources of American exports."

The parties expect the deal to close in the first quarter of 2016 after antitrust and shareholder approval. Precision will remain based in Portland, Ore., and keep its name.

Abernathy MacGregor vice chair Ian Campbell and VP Joe Hixon, both based in Los Angeles, are advising Precision on the PR front in the transaction.

## **COLUMBIA HOUSE PARENT BOOKS SITRICK**

Filmed Entertainment, the parent company of the Columbia House direct-to-consumer DVD and (former) CD seller, has engaged Sitrick and Company for PR counsel amid its Aug. 10 bankruptcy filing.

Known for its offers of multiple music CDs for a penny in the 1990s, New York-based FE filed for Chapter 11 protection noting a decline from peak revenues of \$1.4B in 1996 to just \$17M in 2014.

Like the rest of the recording industry, Columbia House was hit hard by the move to digital music. It merged into competitor BMG in 2005 and was sold a handful of times before scrapping the music business in 2009 and turning to DVDs.

"After careful consideration, and with recognition of the continued decline in the physical DVD market, the Company has determined that the best course forward to maximize value is to sell the business through an open auction process under ... the U.S. Bankruptcy Code," the company said, adding it will continue to operate and sell DVDs.

Sitrick New York director Tom Becker and Los Angeles-based Anita-Marie Laurie are counseling FE.

## **NICKLES TAKES ON THERANOS**

The firm of former Oklahoma Republican Senator Don Nickles has signed up Theranos, the 10-year-old blood-testing biotech venture company, for Food & Drug Administration advocacy work.

The Nickles Group has assigned Nickles; Stacey Hughes, former aide to Sens. Nickles, Bill Cohen and Connie Mack; Mary Beth Taylor, ex-Mack staffer; and Emily Porter, ex-aide to Reps. Boehner, Trent Franks and Tom Tancredo to the Theranos team.

The FDA gave a big boost to Theranos in July, approving the use of its herpes test outside of a lab.



**Mayor Marie Moore of Westhampton Beach**, responding to nearly 25 minutes of complaints by residents of failure to communicate about an eruv Orthodox Jewish boundary in WHB, has proposed a “community meeting” on the subject. We have suggestions for that.

Moore, after numerous requests for more info on the eruv battle, including those by Arnold Sheffer, chairman of the 400-member-plus Jewish People for the Betterment of WHB, told the Aug. 6 meeting, “Perhaps it would be more helpful to the community to hear it at a meeting, to have an update to the extent possible.”

Suggestions we have for the public meeting have been emailed to Mayor Moore and posted to the 27east.com story on the meeting that was headlined, “Eruv Opponents Criticize WHB Board for Lack of Communication.”

There is a need for paid speakers such as Prof. Marci Hamilton of Yeshiva University who wrote an 18-page paper in 2008 for WHB declaring eruvim unconstitutional. Prof. Alexandra Susman of UCLA has done the same in a 34-page paper. Prof. Charlotte Fonrobert of Stanford has written that eruvim are now exposed on websites. The meeting should be in the high school auditorium and not the tiny room where the Trustees meet.

Representatives from the East End Eruv Assn., its law firm of Weil, Gotshal and Manges, and Rabbi Marc Schneier of the Hampton Synagogue should also be invited. Truth needs to be separated from rumors on this topic.

### **SH Press, Verizon, LIPA Back Eruvim**

The Southampton Press, which editorialized July 23 in favor of eruvim, saying they are “invisible,” derives substantial ad income from real estate brokers and related industries. Also backing eruvim are Verizon and Long Island Power Authority. Most of the residents of WHB oppose an eruv, as indicated by candidates they elect. The governments of SH and Quogue oppose eruvim which they say are in violation of their sign laws.

The official stance of WHB, as stated to Federal Judge Kathleen Tomlinson Feb. 22, is that it has never opposed an eruv in WHB and does not do so now. It has also not given approval to an eruv although the Hampton Synagogues says the eruv “is up.”

SH Press published on Aug. 13 its annual Hamptons Real Estate Review 2015 which has 96 magazine-sized pages and 67 ads, most of them in four-color. Articles track sales of homes in the East End—511 in the second quarter, a decline of 20.16% from 640 in the same 2014 quarter.

The Westhampton Group had only 12 sales in the second quarter of 2015, down 45.45% from 22 sales in the same 2014 quarter. Average sales price was \$1,307,583 vs. \$919,466. The Westhampton Beach Group had 29 sales vs. 28 at an average price of \$1,566,786.

Zillow shows 220 homes are currently for sale in WHB. Real estate agents have a lot of work to do. It could be that whether the eruv in WHB is legitimate or

not could be holding up the sales. Dan’s Papers has predicted a boom in WHB home sales if the WHB eruv is accepted as valid by the ultra-Orthodox.

Total sales in the East End have been growing each year, from 1,464 homes sold in 2011 to 2,419 sold in 2014 at an average price of \$1,894,432.

Zillow lists 798 homes for sale in East Hampton, 713 in Southampton and 54 in Quogue. Total for sale in the four towns is 1,785 homes.

WHB’s website lists nearly 80 legal decisions and filings but up until earlier this month, when two recent court decisions were posted, the most recent entries were for Dec. 22, 2014 and earlier.

Moore’s Administration in February banned public comment at the board’s monthly “work” sessions although local blogger Dean Speir said public comment had been allowed at those sessions for “at least four decades.” There is a work session Aug. 19. The next session allowing public comment is Sept. 3.

WHB officials have got to be pried away from focusing on the legalities of this dispute which is only a small part of the picture.

Court decisions are mainly forays in semantics, arguing over the meaning of “visible,” “secular,” “sign,” “accommodation” etc. An eruv is part marketing, part advertising, part law and part PR. It uses law to designate an area as particularly desirable to members of a religious sect.

Eruv opponents have lost almost all court decisions although they have a good case for eruvim being against the Constitution. The U.S. legal system has plenty of critics including lawyer Marion Munley of Syracuse who decries the rarity of jury trials. One judge or a panel of three judges makes almost all the decisions. “To the Founders, the right to a jury trial was on a par with the right to vote and the right of free speech,” she says.

We’re sure that a panel of 12 citizens of WHB would quickly decide that religious symbols should not be permanently affixed to public property.

An extensive critique of the U.S. justice system has been written by Leslie Sachs, an American living in Belgium. His essay, titled, “America’s Corrupt Legal System,” notes that the U.S. imprisons one of 20 working-age black males. There are more than 2.2 million Americans in prison, or more than one out of every 150 Americans. The U.S. has 25% of all the prisoners of the world.

### **Media Fear Reprisals**

Sachs touches on one aspect of this that is relevant to the battle over eruvim in the U.S.—the charge that the news services give scant attention to certain situations. “The media companies are afraid both of reprisal and of the social revolution that would come from exposing the truth,” he writes.

Virtually all media, including the *New York Times*, which last wrote about the eruvim battle on Feb. 4, 2013, are avoiding the multi-million-dollar eruvim battle.

— Jack O’Dwyer