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# O'Dwyer's Newsletter

The Inside News of  
PR and Marketing  
Communications

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## **KOCH NETWORK LAUNCHES PR FIRM**

The advocacy network backed by billionaire industrialist brothers Charles and David Koch has added a PR firm to its roster of conservative outreach and policy efforts.

In Pursuit Of is the name of the new entity that will be run by Koch's anchor advocacy group Freedom Partners. The for-profit agency will provide services to outside clients such as political candidates, companies and non-profits, and will also supply communications work for the various arms of Koch's vast political network.

According to a December 7 NBC News report, the firm plans to focus on corporate tax reform, regulation reduction and replacing the Affordable Care Act.

James Davis, Freedom Partners' executive VP of marketing and communications, has been tapped to lead In Pursuit Of and will hold the title of president. Davis, who was chief spokesman and communications director for the 2012 Republican National Convention, was formerly an associate at M&A PR giant Brunswick Group.

In 2009, the Kochs funded the launch of a similar private offering, political data and analytics firm i360. That firm, which was founded by former John McCain chief technology officer Michael Palmer, collects data on all 250 million U.S. adults for the purpose of creating predictive modeling for political campaigns.

The news of In Pursuit Of's formation comes amid a  
(Continued on page 4)

## **KEMPNER NAMES WERNER MWWPR PRES**

Bret Werner, who came over to MWWPR in January of this year from Catalyst as chief client officer, is the firm's new president as part of a revised management structure. He will share day to day management with CEO Michael Kempner.

Werner co-founded Catalyst as a managing partner in 2006 and worked through its 2012 sale to IMG Worldwide. He stepped down with co-founder Bill Holtz in October 2015.

Newly-promoted chief people officer Gina Cherwin and CFO William Starace round out the executive team that will report to CEO Michael Kempner.

"By elevating Bret to our executive management team, along with Chief People Officer Gina Cherwin, CFO Will Starace and myself, we are truly integrating the foundation of this company," Kempner said.



Werner

## **W2O GROUP ACQUIRES SENTIENT INTERACTIVE**

Continuing a restless wave of agency acquisitions this year, marketing and communications network W2O Group has acquired Morristown, NJ-based digital marketing shop Sentient Interactive.

Financial terms of the transaction were not publicly disclosed. M&A advisory firm AdMedia Partners acted as Sentient's financial advisor in the deal.

Sentient specializes in digital marketing, strategy, media management and SEO, as well as web design and development for clients in the healthcare, consumer, financial services and e-commerce sectors. The full-service agency, which staffs more than 50 and maintains a second office in New York, was founded in 2008 by partners Adam Cossman, Jeff Rohwer and Walter Stevenson. Cossman serves as president, while Stevenson is chief operating officer and Rohwer leads strategy.

Sentient plans to maintain its brand identity in light of the acquisition. The agency will also maintain its Morristown office, while its New York team will move into W2O's existing Financial District location.

In addition to maintaining the president title at Sentient, Cossman will now also serve as W2O chief digital  
(Continued on page 4)



## **WARNER BROS. NAMES MORENTIN COMMS. EVP**

Major record label Warner Bros. Records has named Liz Morentin executive vice president of communications and media.

Morentin joins Warner Bros. from entertainment production giant Dick Clark Productions, where she served as SVP of communications and marketing. Prior to that, she was vice president of communications and media relations for Live Nation, where she led communications for that live entertainment and eCommerce company's North American concert division. She was previously a VP of media relations at RCA Music Group and also held stints at A&M Records, Elektra Entertainment, Epic Records, Rhino Entertainment and Atomic Pop.

Morentin will now oversee all of Warner Bros. Records' communications and media efforts. She'll be based in the company's Burbank, CA headquarters and will report to Warner Bros. Records executive VP Peter Gray.

Warner Bros. Records is a wholly owned subsidiary of entertainment conglomerate Warner Music Group.

## **LEWIS OPENS NYC OUTPOST**

Global communications agency Lewis has widened its east coast footprint with the addition of a new location in New York City.

The San Francisco-based tech agency's new SoHo digs accounts for Lewis' fifth U.S. location and 28th global office.

The agency said its Big Apple outpost would complement Lewis' marketing services and research divisions based in Boston and Washington D.C.

"The timing was perfect because we had several employees that wanted to locate to New York and we also have some clients in New York so it made sense to open it now," Stephen Corsi, Lewis US executive vice president, told O'Dwyer's. "It also falls into our plans for expansion into new client verticals and to recruit new talent as well."

Corsi, who joined the firm in 2012, was tapped to lead the Lewis' U.S. operations earlier this year. He succeeds executive VP Morgan McLintic, who founded Lewis' U.S. operations in the '90s and left the agency to start his own tech PR and marketing consultancy, Fire-brand.

Lewis, which was founded in 1995 and staffs nearly 600 worldwide, in 2015 accounted for nearly \$69 million in net fees.

## **RUDER FINN BUYS HONG KONG DIGITAL SHOP**

Independent PR giant Ruder Finn has acquired Hong Kong-based digital marketing and analytics consultancy Daylight Partnership.

Daylight Partnership specializes in digital strategy and consulting, PR, social media marketing, mobile app development and website design and for clients in the consumer, lifestyle, tech and healthcare sectors. Clients include Digital Domain, Fitbit, Lee Kum Kee, L'Oréal, New World Development, Prudential, Sino Group, SOGO and Swire Properties.

The agency was founded in 2013 by managing director David Ko, who was previously Waggener Edstrom's Asia Pacific head and also held stints at Edelman Worldwide and Hill & Knowlton, as well as in-house marketing roles with Cisco Systems and Redback Networks.

Daylight will now merge with Ruder Finn's full-service digital practice RFI Studios and will henceforth be known as RFI Daylight. Ko assumes the role of senior VP of RFI Studios Asia, and will lead this regional RFI arm, managing a team of approximately 50 across China, Hong Kong, Singapore and India dedicated to helping the agency create social media-backed integrated campaigns for clients in the consumer, luxury, retail, healthcare and technology sectors.

RFI Studios was established in 1999. The digital group expanded into China in 2013.

Ko will report to Ruder Finn Asia chairman Jean-Michel Dumont and will work in tandem with RFI teams in the U.S. The newly-minted RFI Daylight will also lead a global analytics offering that will be staffed in the U.S. and Asia, to which all agency clients will have access.

(Continued on page 4)

## **MEDIA/SOCIAL MEDIA NEWS** **CONSUMERS, AGENCIES DEBATE FAKE NEWS**

The growing controversy surrounding fake news, an epidemic of web outlets deliberately peddling misinformation and wild conspiracy theories that circulate through blogs and social media channels, has now been blamed for everything from the outcome of the Presidential election to a December attack on a Washington, D.C. Pizzeria erroneously linked to a child-abuse ring.

While U.S. consumers, lawmakers and tech leaders seem to agree that the phenomenon is a problem, a debate wages on regarding what should be done about it and who should be responsible for policing this content.

A recent survey from digital politics and policy outlet The Morning Consult underscores the prevalence of specious content on the web today. About half (49 percent) of respondents polled said they're exposed to fake news through Facebook or Twitter on a daily basis, and more than two-thirds (69 percent) admitted reading a news story which they later discovered was phony.

When it comes to who bears the responsibility in preventing the spread of phony news content, however, Americans appear divided. The Morning Consult survey reported that 67 percent of respondents lay the responsibility for policing fake news on search engines such as Google, but almost the same number (66 percent) believe the person reading the news bears that duty, followed by social media sites like Facebook and Twitter (63 percent) and the federal government (56 percent).

Regarding what party bears the most responsibility for ensuring this content doesn't spread, 24 percent said the obligation falls on the shoulders of the person reading the news, followed by social media sites (17 percent), the federal government (14 percent), web service providers (10 percent) and search engines (9 percent).

The Morning Consult survey, which polled more than 1,000 adults online in early December, also suggested political corollaries in respondents' answers: the survey found that those identifying as Republican were more likely to cite the person reading fake news as responsible for ensuring others aren't exposed it (25 percent, versus 20 percent of Democrats); Democrats, by contrast, were more likely to place the responsibility on social media companies (21 percent, versus 17 percent of Republicans).

Interestingly enough, the survey also found a clear majority of Americans are open to the prospect of tech companies censoring fake news, with 71 percent claiming it would be appropriate for Google to remove this content, 71 percent stating it would be permissible for Facebook and Twitter to do so, and 67 percent saying web service providers should outright ban its circulation.

### **Fake news becomes brand pariah**

A rise in spurious news outlets is also stirring panic among brands that are now looking for ways to potentially vet their content from appearing on sites offering deceptive or misrepresentative information.

A December 8 *Wall Street Journal* report detailed some of the many well-known brands that are now appearing — and unknowingly, helping fund — these fringe sites, in an ad buying climate where marketing content

(Continued on page 3)

## NEWS OF PR FIRMS

### WILSON BECOMES SPECTRUM CEO

Jonathan Wilson, president of health, life sciences and public affairs firm Spectrum Science Communications, will now also hold the dual title of chief executive officer.

Wilson's appointment was announced today by Spectrum founder John J. Seng, who formerly wore the CEO title and will remain onboard as chairman. Seng, who founded the Washington, D.C.-based agency in 1996, will also remain chair of international health and science agency network GLOBALHealthPR, which he founded in 2001.

Seng told O'Dwyer's that Spectrum's leadership is currently in the midst of a succession plan that he described as a "calculated, strategic internal sale," wherein the agency would remain independent while ownership would gradually be ceded to "a mix of owners" over the next two years, with Wilson at the helm.

Seng added that by January 2019, he expects to have "moved out of the picture," and plans to dedicate more time thereafter to non-profit work.

Wilson, who holds a BS in molecular biology and was previously president of inVentiv unit Chamberlain Healthcare PR, joined Spectrum in early 2014 to fill the president slot. The agency has expanded considerably in that time, posting 33 percent year-over-year growth in 2014 and a whopping 83.5 percent surge in healthcare-related net fees last year.

Wilson this year was also named president of GLOBALHealthPR, which has 16 partner agencies.

## NEWS OF SERVICES

### FAKE NEWS DEBATE (Continued from page 2)

now appears on sites not because companies placed them there, but based solely on consumers' browsing history or demographics.

Given the recent popularity of programmatic media buying, where the placement of display ads is entirely automated, it can be difficult for advertisers to know where their ads will appear, or if they're being featured on sites alongside phony content. According to September findings by eMarketer, U.S. programmatic display ad spending could top \$25 billion by the end of this year.

While the public seems unable to arrive at an agreement regarding who should be responsible for fake news, in the private sector the consensus appears clear: leaders in tech should be doing something to mitigate how this content is shared, at least in the search engines and sites that direct much of the traffic to these bogus sites.

Google in November announced it would take steps that would prevent sites offering false or deceptive content from generating revenue through the company's ad-selling services. Facebook chairman, CEO and co-founder Mark Zuckerberg, who previously trivialized the role of fake news content in influencing the election, seems to have buckled to pressure. Facebook in November banned phony sites from the company's ad network, and announced it is now mulling over ways it can limit the amount of false information being shared on the social media site, avenues that may include third-party verification services and new automated detection tools.

## NEW ACCOUNTS

### PODESTA PITCHES FOR PEPSI

Food and beverage giant PepsiCo has hired government relations firm Heather Podesta + Partners in a lobbying pact that focuses on Congress' possible early reauthorization of the federal farm bill.

Podesta is representing the Purchase, NY-based soda behemoth in a bid to educate Capitol Hill lawmakers on the food and beverage industry, as well as for the purpose of "reviewing corporate and international tax reform proposals" and "monitoring efforts to reauthorize the federal Farm bill, including efforts to address the SNAP program," according to lobbying disclosure documents filed in November.

The farm bill, the omnibus bill that's traditionally passed by Congress every five years, authorizes federal agriculture and nutrition policy under the purview of the United States Department of Agriculture. The last farm bill — the Agricultural Act of 2014 — was signed into law by President Obama in February 2014, two years late by many estimates. This bill is set to expire in September of 2018.

Some lawmakers are currently mulling over the possibility of enacting the next farm bill early — as much as a year ahead of schedule — in a bid to help U.S. farmers in light of currently low commodity prices. Senator Chuck Grassley (R-IA) and House Agriculture Committee ranking member Collin Peterson (D-MN) have publicly expressed support for this measure.

The Pepsi account will be managed by founder and prominent Democratic lobbyist Heather Podesta.

## PEOPLE

### Joined

**Ned Walker**, who retired as chief communications officer of Delta Air Lines in 2014, will return to the Atlanta-based carrier in January in its top communications role. He will fill a post being vacated by Kevin Shinkle, the former Associated Press business editor who is stepping down to return to the Northeast after nearly three years in Atlanta. Walker spent eight years at Delta after leading communications for Continental Airlines, where he spent 21 years. He will report to Delta CEO Ed Bastian, who took the reins in May after 18 years there.

**Abernathy MacGregor** has added three senior VPs in New York, San Francisco and Los Angeles. **Kensley Biggs**, a financial communications pro and former senior VP for Teneo Strategy, joins the firm in New York. She is a former analyst and associate for Goldman Sachs and most recently ran her own shop, Dalloway Advisory Group. In San Francisco, ICR alum **Sheila Ennis** joins the firm. She was a senior VP at ICR and worked in investment banking in the Bay Area at Hypatia Capital and McNamee Lawrence & Co. **Ina McGuinness**, another ICR vet and former VP of corporate communications and IR for biotech Tercica, joins Abernathy in Los Angeles. She was VP of IR and corporate comms. for software company Kofax, as well, and did stints at Ketchum and Lippert/Heilshorn & Associates. AbMac is owned by Paris-based Havas.



W20 ACQUIRES SENTIENT (Continued from pg. 1)  
officer, and will focus on integrating his agency's digital strategy and assets with W20's media, engagement and creative services capabilities and proprietary platforms. Stevenson and Rohwer also maintain their Sentient titles while broadening their roles within W20 Group, with Stevenson serving as managing director of digital ops and Rohwer as managing director of digital strategy.

"It's not every day that you get to combine two companies that are so complementary and who truly make the one-plus-one-equals-three equation a reality," Cossman told O'Dwyer's.

W20 this year has been in the midst of an acquisition splurge. The tech-focused independent network, which owns agencies Brewlife, Twist Mktg and WCG, in September acquired Wilmington, NC-based life sciences PR agency Pure Communications and in November bought New Hope, PA-based digital marketing firm Marketching Solutions.

The growth comes as the result of a March undisclosed investment pact with private equity investment firm Mountaingate Capital. Combined, W20's three most recent agency buys account for 100 employees and about \$25 million in revenue.

The San Francisco-headquartered network said Sentient's acquisition is part of a larger strategy to build its digital toolkit while widening its East Coast footprint, where W20 now maintains a half-dozen offices.

W20 in 2015 posted \$95 million net fees, accounting for 15 percent growth from the year prior.

#### KOCH PR FIRM (Continued from page 1)

restructuring effort involving Koch's political operations that was announced earlier this year. Those measures resulted in several organizations being consolidated under the Americans for Prosperity umbrella and a scaling back of its work with several consulting firms, fundraising entities and conservative advocacy groups.

In December the Kochs also announced that it would be laying off 81 employees across its network as part of this reorganization.

The Koch's network of donors and advocacy groups, which was once referred to by the *New York Times* as "an almost shadow version of the Republican Party," largely avoided the 2016 presidential campaign after butting heads with Donald Trump several times during the race.

Koch's affiliated advocacy group still managed to contribute about \$250 million in a bid to help elect down-ballot Republicans.

#### RUDER FINN BUYS DIGITAL SHOP (Cont'd from 2)

Ruder Finn CEO Kathy Bloomgarden told O'Dwyer's that Daylight's addition strengthens the agency's digital expertise, and its global insights and analytics capabilities would allow clients to gain better insights that yield better-targeted customer outreach.

#### PR OPINION

##### **"Cell" is a 2016 horror movie about cellphones**

based on a Stephen King novel that may focus more public attention on the ubiquitous but dangerous devices.

Gaining government or school notice of the issue has been almost impossible thus far. "Cell," starring John Cusack and Samuel Jackson, is now available in video on demand.

Cecelia Doucette and Keith Marciniak of Massachusetts, who have created a five-part video series on the dangers of pulsed microwave radiation, say they were rebuffed by school officials when they sought recognition of the problem.

"They told us they can't go backwards on Wi-Fi and that children must have a 21st-century classroom and all the most modern tools," says Doucette. She was "thrown for a bit of a loop" when she made a presentation to a school committee that included "very smart people"—technologists, teachers, professionals, etc., and got rebuffed.

##### **Female Eggs, Male Sperm at Risk**

Especially at risk because of the DNA-changing radiation are male sperm and female eggs, says Doucette. There is a decline in sperm count and sperm motility after only four hours of exposure to cellphone radiation, she said.

Males can produce sperm throughout their adult lives but females only have the limited amount of eggs they are born with.

"Unlike sperm, which are produced daily throughout a lifetime, human eggs are finite and found in the two ovaries," says the website, "Ask Alice." The ovaries, at birth, contain about one to two million immature eggs, or follicles.

"Most follicles die through a process known as atresia, which begins at birth. When puberty is reached, only about 400,000 follicles remain. With each menstrual cycle, a thousand follicles are lost and only one will mature into an ovum (egg), which is released into the fallopian tube, starting ovulation. Of the one to two million follicles, only about 400 will ever mature."

##### **Cellphones Produce "Zombies"**

"Cell," based on a 2006 book by King, shows people going insane when they use their cellphones. An alien force takes over their minds and in some cases, instructs them to kill anyone nearby. In other cases, they are ordered to march in groups toward certain destinations. The plot follows three people lucky enough not to have used their cellphones—two males and a 15-year-old girl.

They head north from Boston towards a town in N.H. where Clayton Riddell, played by Cusack, hopes to find his son alive at a school.

Stacey Keach plays the headmaster of an N.H. school who says of cellphones: "I never liked the things, especially in an academic environment. I might have moved to keep them out of the school but would have been overruled. Might as well try to legislate against the rising of the tide...they emit radiation, are you aware of this? In minuscule amounts, it's true, but still...a source of radiation that close to one's head...one's brain..." — *Jack O'Dwyer*