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O'Dwyer's Newsletter

The Inside News of
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AARP LOOKS FOR PR FIRM

Washington-based AARP is looking for a PR firm to support its media outreach and events.

The non-profit with more than 37M members says it helps "people turn their goals and dreams into real possibilities, strengthens communities and fights for issues that matter most to families such as healthcare, employment security and retirement planning," according to its website.



Headed by JoAnn Jenkins, AARP recently recruited FleishmanHillard heavyweight Martha Boudreau for the executive VP slot and chief communications and marketing officer.

She had served as the Omnicom unit's president of mid-Atlantic and Latin America units.

AARP expects to wrap up its PR search in January.

WEBER SHANDWICK LANDS MAINE LOBSTERS

The year-old, beefed up marketing collaborative for Maine's lobster industry has brought in Weber Shandwick to handle its integrated marketing account, spanning PR, advertising and digital/social.

The Maine Legislature set up the Portland-based Maine Lobster Marketing Collaborative last year with a budget rising to \$2.2M per year by 2015, up from \$350K under predecessor Maine Lobster Promotion Council. The industry, which has a \$1B impact on the Pine Tree State, is under pressure to expand as its catch hits record levels and the price of lobster has dipped under \$3 per pound to levels unseen since the early 1990s.



Lobstermen and the supporting industry want to shift the perception of lobster as an expensive, cumbersome dish to an easy choice for dinner at home or in a restaurant. They are also tackling competition from Canada and the Caribbean.

Brooklyn-based Feast PR previously worked with the collaborative.

Weber Shandwick's Boston office will lead the integrated work. MLMC executive director Matt Jacobson said the collaborative looked at agencies in Maine and throughout the US in a "rigorous search."

He praised Weber's experience and success in a broad range of capabilities. He added: "They built a strong foundation of trust and compatibility with us early on, and we are eager to move forward with them to showcase Maine lobster."



Happy Holidays to our readers. This is the last issue of the year. Follow breaking news on odwyerpr.com.

SONY PREMIERES SMITH IN HACKING STORY

Sony Pictures Entertainment has brought in crisis PR support from Smith & Co, the Washington, D.C., firm of Judy Smith, as the company navigates the ongoing hacking and leak scandal.

Smith is advising the studio and embattled co-chair Amy Pascal on its message and next steps, according to *The Hollywood Reporter*. TMZ, which first reported the hire, said Smith is counseling Sony on the D.C. and Hollywood fronts while pushing the message that its controversial decision to pull "The Interview" film as in the best interest and safety of its employees.

Sony, which is also working with Rubenstein Communications, has come under withering criticism after President Barack Obama said the company made a mistake and it worked to shift blame for the cancellation of "The Interview" debut on to movie theaters. SPE CEO Michael Lynton did a series of press interviews to push back against the President's characterization. Variety reported Dec. 21 that theater owners are "incensed" at Sony's public statements.

Sony says it has no further release plans for the film, despite calls from Hollywood and Washington for the studio to release it.

FENTON SELLS OUT

David Fenton has sold Fenton Communications, a leading progressive PR firm, after a 33-year run.

James Marcus, ex-investment banker and head of Fenton Studios, and Craig Leach, founder of Collegium, and CEO of Graham-Pelton Consulting CEO, are new owners. Bill Werde, editorial director and eight-year veteran of Billboard, takes the CEO slot.

Werde expanded the music trade magazine *Billboard* into the digital/social/TV/video/events platforms and wrote for the *New York Times*, *Rolling Stone* and *Wired*.

Fenton, 62, will continue at the firm as founder and chairman. He views Marcus, Leach and Werde as "the next guardians of our public-interest mission and values."

Fenton will focus his energy on climate change, which he considers the No. 1 communications challenge.

The firm has more than 60 staffers in Washington, New York, Los Angeles and San Francisco. It is joining the Collegium network of communications firms.

SARD DRIVES PR FOR EMBATTLED TAKATA

Takata Corp., the airbag maker enmeshed in a massive recall over exploding inflators, has hired Sard Verbinen & Co to guide communications after criticism over its weak response to the crisis.

Alby Berman, the company's 69-year-old longtime VP of global communications, is retiring at the end of the year.

Takata chairman and CEO Shigehisa Takada, who has stayed out of the public light since the crisis flared earlier this year, in a statement Dec. 3 outlined a four-point plan for the company to move forward.

The plan includes formation of a quality assurance panel, the hiring of two former US Secretaries of Transportation – Rodney Slater and Hill+Knowlton Strategies alum Norman Mineta – to serve as special counsel, increased capacity to produce replacement kits, and "redoubling our efforts to learn all we can from past events."

The Japanese-owned company has faced consistent criticism for the recall and its low-profile response.

As *Automotive News* noted Dec. 8, the "seeming lack of accountability" has drawn rare rebukes in Japan as the company in the US "has been anything but transparent in its response to the worldwide media uproar."

Added Takada: "A statement does not solve problems, but it does reflect our understanding of the current issues and our plans to address them. Takata is committed to being transparent and collaborative in all of our relationships with stakeholders and in demonstrating our commitment to public safety."



SKDKNICK REPS FREED US CONTRACTOR

SKDKnickerbocker is repping Alan Gross, the jailed American contractor released by Cuba last week, following the Obama administration's move to normalize diplomatic ties between it and the US.

Cuba's leader Raul Castro freed the 65-year-old, who is in failing health, as a "humanitarian gesture."

As a contractor for the US Agency for International Development, Gross served four years in prison for bringing telecommunications equipment (satellite phones) into the communist country without a permit.

Jill Zuckman, managing director of the Washington office of the PA shop, advocated on Gross' behalf before the big political news of last week.

Before SKDKnick, she was spokesperson for Transportation Secretary Ray LaHood and correspondent for the *Boston Globe* and *Chicago Tribune*.

She intends to continue working with Gross until he readjusts to life in the US.



Gross

CRACKER BARREL CALLS FOR PR FIRMS

Eatery chain Cracker Barrel has put out a feeler for PR firms as it mulls a search process for an agency of record assignment.

Janella Escobar, who heads corporate communications for the Lebanon, Tenn.-based company, told O'Dwyer's Cracker Barrel is conducting an open process with a request for information to firms, not an RFP process, at this time.

Cracker Barrel, which is publicly traded, counts 600 company-owned locations across 42 states, chalking up \$683.4M in revenue for the first quarter of fiscal 2015. Revenues for 2015 are forecast at \$2.8B.

The company wants a firm to assist in development of a PR plan, media relations, financial and crisis communications, and a variety of related tasks.

Responses are due Jan. 12. RFI: <http://bit.ly/1sQB2PZ>.

MA MULLS MARATHON BOMBING VICTIM PR

Massachusetts is on the hunt for a digitally savvy agency to guide an education and outreach campaign aimed at victims and witnesses of the 2013 Boston Marathon bombings.

The state's Office of Victim Assistance, working with federal antiterrorism assistance funds, has allocated \$750K for the first phase of the campaign, which is expected to be rolled out by April 15, 2015.

The campaign will educate the public about the long-term consequences – emotional and physical -- of trauma and urge members of the community to seek support services available.

The work includes development of a marketing plan, PSAs, digital communications, press materials and collateral, website development and a media plan.

The resulting contract is expected to run from February 2015 through June 2016.

Proposals are due Jan. 12, 2015. RFP documents can be obtained from the state's procurement portal.

Info: <http://bit.ly/1E36RiM>.

MCINTYRE SWAPS EDELMAN FOR KETCHUM

Bill McIntyre, executive VP and group head for Edelman's Washington, DC, operation, is shifting to Ketchum as a director to lead its capital office.

Kathy Jeavons, a Ketchum partner who oversaw the DC office for the past six months, continues as associate director.

Nick Ragone stepped down as Washington office head in June for the chief communications officer slot at health system Ascension.

McIntyre was a former top spokesman for the National Rifle Association and former CEO of Grassroots Enterprise, the digital communications shop acquired by Edelman in 2009. He did a stint as VP at Nelson Communications before joining Direct Impact and spent the last five years at Edelman and is an adjunct professor in Georgetown's School of Continuing Studies.



McIntyre

NYT WIELDS AX

The New York Times, which has accepted the buy-out applications from 57 staffers in the Newspaper Guild of New York, will lay off 21 more union members in its drive to cut costs and restructure operations.

Dean Baquet, executive editor of the NYT, told staffers the paper is "coming to the end of a painful period."

The Guild says the cuts will exceed the initial total job cut goal that NYT management used in announcing the most recent retrenchment plan.

Management turned down the buyouts of three Guild members. The union notes that the NYT "hired numerous new employees over past six months and made no effort to retrain long-term employees."

Under the Guild's current contract inked in November 2012, union membership at the NYT increased by 100 people.

The Guild promises to study the information NYT management used to target employees to make sure contract provisions were followed.

It vows to take the all necessary steps to enforce the pact.

REPORT: NY TIMES TO END AD COLUMN

The *New York Times* is weighing whether to stop its influential advertising column as Stuart Elliot penned his final piece Dec. 19, according to the *New York Post's* Keith Kelly.

Kelly reports that "word is circulating" that the Times will drop the column, although a paper spokeswoman said "questions like this one are not likely to be settled until early in the new year."

Elliott, who is taking a buyout from the paper after writing the must-read ad column for 23 years, wrote his last column for the Dec. 19 paper, reflecting on the top five changes he observed on Madison Avenue over the past 25 years.

MAGAZINE CLOSURES SOAR IN 2014

The number of magazines closing soared nearly 77% in 2014 as 99 titles shuttered this year, compared with 56 closures in 2013.

Oxbridge Communications' online publication database MediaFinder.com reports that 190 magazines launched in 2014, up from 185 a year earlier.

Regional titles were the top category with 23 launches (*California Sunday Magazine*, *Annapolis Underground*), followed by health (*Mantra Yoga + Health*), food (*Eat This, Not That!*, *The Cleaver Quarterly*), home (*Interior Appeal*, *Everyday Home*), and children (*Fun to Learn Peppa Pig*, *Sofia the First*), all with six new titles.

Forty-seven new titles launched in the B2B category (*IEEE Cloud Computing*), but 27 shuttered, including *ABA Banking Journal*, compared with 14 closings in 2013.

Magazine closures included *USA Weekend*, *Macworld*, *WWE Magazine*, *Diabetic Cooking*, *Scene (NY)*, *Popular Hot Rodding*, along with nine other Source Interlink automotive titles.

WHITE HOUSE ALUM WANTS HIS MTV

Ronnie Cho, who as associate director of public engagement at the White House, is the new VP-PA at Viacom's MTV.

He's in charge of social media for MTV, MTV2 and mTVU programming across multiple platforms.

Stephen Friedman, president of MTV and Logo TV, said in a statement that Cho would expand MTV's "role as the megaphone for the millennial generation" and develop new tools to take action on issues that matter to its members. Before joining the Obama administration, Cho was editor at *Newsweek Daily Beast* reporting on social justice and entrepreneurial issues.

The Wrap reports Cho was prominently featured in the HBO documentary, "By the People: The Election of Barack Obama."



Cho

USA TODAY TECH EDITOR TO ACCESS

Nancy Blair, technology editor for *USA Today*, is moving to tech firm Access Communications as VP of content in San Francisco.

Access president Matt Afflixio said Blair will guide the editorial direction of the firm's storytelling hub, Access Studio, encompassing Access' digital, creative, data and content operations.

Blair spent more than 14 years at USA Today, including as personal finance editor and senior assignment editor. She was previously with Gannett News Service and business editor for *The Journal News*.

Access, part of Omnicom's Ketchum, handles clients like Leap Frog, Otter Box and Safeway.

SONY TARGETS MEDIA WITH LEGAL ATTACK

Sony Corp. unleashed high-powered attorney David Boies on media outlets such as the *New York Times*, Bloomberg and *Wall Street Journal* last week to demand they destroy any of its emails, contracts and other documents stolen by hackers aligned with North Korea who broke into its communications system last month.

Boies, who led Al Gore's legal team in the Florida recount, issued the three-page threat that warns media they will be held "responsible for any damage or loss arising from such use or dissemination by you."

The hacked documents and emails have provided reams of fodder for press accounts of the studio's inner workings, as well as communications with celebrities and Hollywood insiders. Fox News reported that Sony's blockbuster James Bond and Spider Man franchises may have been compromised in the leak. A weekend information dump included an early screenplay for the Bond film, *Spectre*, according to the 21st Century Fox unit.

Boies appeared on NBC's "Meet the Press" on Dec. 21 and said the hack is a "state-sponsored criminal attack."

He added that Sony has been "on its own" for three weeks in trying to defend itself and its actions. "If the NSA had invaded people's privacy like this, people would have been outraged," he said.

IOC TACKLES SEXUAL ORIENTATION

By Joe Keenan

The International Olympic Committee this month made a unanimous decision to add “sexual orientation” to the anti-discrimination language of the Olympic Charter known as Principle 6.

The move follows the 2014 Winter Olympics in Sochi, Russia, which was nicknamed “The Homophobic Olympics.” That competition served as a painful reminder of the lack of LGBT rights in Russia and in so many other places around the world.

Laws were passed to ban “gay propaganda.” Arrests were made of LGBT activists simply for holding a banner that said, “Discrimination is incompatible with the Olympic movement.” The turmoil that engulfed Sochi also convinced the IOC that a change in policy was necessary to protect LGBT athletes and to save the dignity of the Olympics. The charter now reads, “The enjoyment of the rights and freedoms set forth in this Olympic Charter shall be secured without discrimination of any kind, such as race, color, sex, sexual orientation”

Many have worked and looked forward to this day for years, but clearly, Sochi provided the necessary spark to ignite a fire that desperately needed to be lit.

Media skeptics and doubters among athletes and fans see this amendment as purely a PR move by the IOC to mend a tarnished image. However, this is a “policy into action” moment for the organization that – if done properly – can move from a reactionary announcement met with doubt to an evolved Olympics and a much stronger image.

In the months leading up to Sochi, such key sponsors as Coca-Cola found themselves caught in a challenging corporate communications situation when they too chose not to take a public stance against Russia’s discriminatory “gay propaganda” law, potentially unraveling the company’s positive image built on years of LGBT community support.

By changing Principle 6, the IOC has the chance to make systematic changes that would affect all athletes and create a new face of the games.

Similarly, it presents an opportunity for sponsors to move from a reactionary stance to a progressive, proactive position that consumers want and expect.

Being gay, it was particularly painful for me to know that young LGBT athletes who had dedicated their lives to training for the Olympics were being forced to monitor their every move in Sochi and that officially there was little response from the organizers.

But as difficult as the games were, the event brought a great deal of international attention to the lack of LGBT rights across the globe. The repressive Russian policy ended up creating a completely opposite effect.

Principle 6 must be the start of a larger movement to institutionalize equality in the Olympics. The IOC again has created an opportunity for conversation. Perhaps this time the discussion is not about medal counts, but rather the power that the Olympics has to shape culture and the opportunity it provides sponsors to reflect and align with a changing world.

Joe Keenan is VP in MWW’s LGBT practice. He’s based in Los Angeles.

WHAT IF NK HACKED A TOYMAKER, NOT SONY?

By Bill Huey

America hasn’t gotten to the bottom of the story yet, but the recent North Korean hack of Sony Pictures and subsequent withdrawal of “The Interview” has raised a number of troubling questions and challenged more than a few assumptions about how we conduct our foreign and domestic affairs.

Imagine the product in question isn’t a dumb comedy but a toy. A bobblehead doll that makes the Korean dictator look even more ridiculous than he already does in real life. And let’s say the North Koreans, with the backing of the Chinese (who looked the other way while the doll was being manufactured in China), hack into the systems of the toymaker and release damaging information about racial and ethnic slurs contained in e-mails; the fact that the doll has a 500 percent markup or other trade secrets; and the salaries of the top eight or ten executives at the toy company.

Then, the Hermit Kingdom drops the T-bomb, warning Wal-Mart, Target and other retailers that if they stock the doll for Christmas sales, terrible things will happen. Not wanting that zombie stalking their aisles at Christmas, the retailers demur on the doll.

Here’s the rub: While maybe not the greatest artistic expression ever conceived by the mind of man, the doll is a creative product, an expression of speech. We wouldn’t suppress its distribution here because of our values, nor would we come down on a similar doll mocking the president, or depicting the president as Dennis Rodman.

Who will come to the toymaker’s defense? The Toy Industry Association, which, though it is nearly 100 years old and represents a \$22 billion industry, has only 750 members and nobody ever heard of them? The U.S. Chamber of Commerce? This toymaker is a blip on the screen of the \$17 trillion U.S. economy, and chances are that they have never spent a single night in the Lincoln bedroom of the White House or been invited to a State Dinner.

I don’t know all of the answers to these vexing questions, but I do know that the Obama Administration was late to the game on the Sony Pictures imbroglio.

Perhaps it was their notoriously poor staff work, or because the President was focused on the Cuba deal, or even preparations for Christmas in Hawaii, but the results, and the “Hey, I could have done something—you shoulda called!” disclaimer after the shooting was over leave us with little assurance that the government is aware of these commercial threats and actively doing something about them.

As for Hollywood, this is hardly the first time they’ve pulled a punch or scotched something they thought would offend somebody (oh, if only Louis B. Mayer were still around to comment). Like when they changed the ending of “Gone With the Wind” for example, or Michael Douglas shot Glenn Close in “Fatal Attraction” because the original ending tested poorly.

If the so-called artistic community out there is so outraged by this incident, they’ll have to come up with something more than Twitter grunts. The studio suits are uncharacteristically at a loss for words.

Bill Huey is president of Strategic Communications in Baton Rouge, LA.

NEWS OF PR FIRMS**FLORIDA HEALTH EXCHANGE MOVES PR**

Florida's state-run health insurance exchange, first launched as an alternative to the federal exchange, has moved its PR account to Tallahassee-based On 3 PR after four years with Salter Mitchell.

Florida Health Choices made the switch at its annual budget meeting Dec. 5, noting the federal Dept. of Health and Human Services determined Salter Mitchell's business with the federal government regarding health-care.gov and health insurance reform to be a conflict.

Florida Gov. Rick Scott opposes the federal health-care law and has rebuffed funding and challenged the law in court. FHC was initially set up as a voluntary marketplace for coverage, but it drew little participation -- a September report said it had only 30 customers despite a high six-figure budget -- while more than one million Floridians flocked to the federal marketplace. This year, the exchange is offering some Obamacare plans, but it primarily targets citizens that don't qualify for federal subsidies under the Affordable Care Act.

On 3 is charged with leading an earned media push, \$75K paid media campaign and other efforts starting January 1 amid the latest enrollment period under the federal ACA through Feb. 15, 2015.

Media reports suggest more than 200K Floridians could sign up for Obamacare coverage during the latest period.

In addition to Florida and the federal government, Salter Mitchell worked on Minnesota's exchange.

**5W HANDLES \$72M HIGH SCHOOL FRAUDSTER**

5W Public Relations is handling the Stuyvesant High School senior who earned fawning coverage in *New York Magazine*, *Business Insider* and *New York Post* for his bogus claim about making \$72M on Wall Street during lunch breaks.

Mohammed Islam, who runs the investment club at the prestigious Manhattan school, told the *New York Observer* he made up the story though he "earned" a bundle making simulated trades.

The 12th grader made his pitch to New York because one of his father's friends worked there.

The Dec. 15-28 *New York* featured Islam as No. 12 on its tenth annual "Reasons to Love New York (Right Now)" list.

He's profiled as "the soft spoken son of Bengali immigrants from Queens and the president of the school's investment club" and "basically a genius."

New York said Islam was particularly enamored with wheeler-deal Paul Tudor Jones and though he was shy about the \$72M figure confirmed a net worth in the "high eight figures."

Islam said of his investment fable "he's incredibility sorry for any misjudgment and any hurt I caused. I'm most sorry for my parents. I did something where I can no longer gain their trust."

NEW ACCOUNTS**New York Area**

Weber Shandwick, New York/Mexico City Tourism Promotion Fund, to promote Mexico City here and in Canada, providing research, strategy, branding and social/content development. Alice Diaz heads WS' travel and lifestyle practice. The Interpublic firm also picked up D.O. Ribera del Duero and D.O. Rueda, Spanish wine regions, for a consumer and trade marketing program in the US aimed to elevate the regions and the wines among Millennial and Generation X consumers. Work includes digital, corporate, trade and consumer PR.

Colangelo & Partners PR, New York/Wines of South Africa, as AOR for the organization's integrated campaign in the US. The firm already reps South African brands Amarula Cream, Fable Mountain Vineyards, Marvelous Wines and Mulderbosch Wines. Said US Marketing Manager Jim: "Americans need to be educated about the breadth and quality of South African wines."

East

FVM, Philadelphia/Market Street Advisors, investment management software provider, for a rebrand and creative services; Arraya Solutions, infrastructure consulting, application development and managed services provider, for brand positioning, website design and development, content marketing and mar-comms strategy; ESOP Economics, repurchase obligation software firm, for digital strategy, content mktg., events, social and media planning. The firm also signed Perinatal Research Consortium, nine research centers focused on perinatal and women's health, as a pro bono account.

Southeast

Softscribe, Atlanta/Revaster, Portland, Ore.-based real-time hotel rate shopping tools for hoteliers, for PR. Revaster's application collects hotel price information from branded sites and online travel agencies and provides reports and data downloads.

PR Revolution, Miami/Novus Acquisition & Development Corp., for PR and marketing for its Novus Med-Plan health and wellness savings plan for medical marijuana patients.

TransMedia Group, Boca Raton, Fla./FSC Global, not-profit research group focused on retirement investment education and affiliated with a for-profit investor subscription service, for PR.

Midwest

Lipman Hearne, Chicago/Seton Hall University (South Orange, N.J.), for a branding study focused on recruitment of students at the undergraduate and graduate levels; Alverno College (Milwaukee), for strategic enrollment initiatives, marketing planning, and general mktg. and comms. consulting; Bentley Univ. (Boston), to reach prospective undergrad students and produce creative concept work, and The University of Minnesota Foundation, for messaging and positioning strategies.

Mountain West

Creation, Denver/Newton Running, performance running shoes, as AOR for PR, following an agency review.

TRUSTEE OBJECTS TO BULLDOG SALE

A federal bankruptcy trustee has objected to *Bulldog Reporter* parent Sirius Information's plans to sell assets to a Canadian information company, claiming Sirius president Jim Sinkinson has a conflict as an interested party.

Bulldog filed for bankruptcy in November, listing nearly \$900K in debts. The company petitioned for permission to sell most of its remaining assets – around \$135K worth – to Ontario-based media monitoring company MediaMiser, but bankruptcy trustee Tracy Hope Davis intervened Dec. 12, requesting the sale be denied by a federal bankruptcy court.

Davis outlined a handful of concerns, noting Sinkinson would get a \$3K/month consulting contract with the buyer, which is also making payments to a Sinkinson-controlled company and currently paying him a consulting fee. She noted Bulldog sold \$15K in customer lists and other intellectual property to MM a week before its bankruptcy filing.

The trustee said the sale process was not properly designed to woo competing bids and the pre-bankruptcy sale of assets might have "chilled" bidding from other potential buyers. MM and Ragan Communications approached Sirius about a sale before its bankruptcy filing, according to the trustee.

Sirius president Jim Sinkinson filed a declaration in US Bankruptcy Court in California on Dec. 17, denying that he has a consulting agreement with MM. He said he and another former executive received only \$2K from the buyer to research company records to gauge its financial performance and projections. He said a consulting agreement – "standard in these types of sales" -- with the buyer is contingent on the proposed sale.

Sinkinson also argued that Bulldog's announcement that it was shutting down, along with coverage in trade press like O'Dwyer's, made its financial condition widely known, even though putting the business up for sale was not a viable option. He also said an affiliate of the buyer is paying Sinkinson's sole proprietorship, Fired Up Marketing, to keep the Inside Health Media website up and running, but Sinkinson said the fee passes directly through his company to a single editor.

Consulted Turnaround Advisor

Sinkinson said in the filing that he consulted a turnaround advisor to see whether the business could be saved amid a "precipitous drop in revenue from a number of the company's projects culminating in August 2014." The advisor required the company to raise \$50K to continue operations for another month, which Sinkinson said was not possible.

Sinkinson said he and his wife/business partner Cynthia Levitas borrowed from their personal line of credit to loan the company sufficient funds to file for Chapter 7 bankruptcy.

Creditors of Bulldog listed in its bankruptcy filing include Bank of America is biggest with \$132,743; Crown Plaza Hotels and Resorts of NYC for \$130,762; Bernstein Family Trust for \$127,980; Chase and Chase Card Services for \$29,146; PR Newswire for \$57,000, and Bulldog reporter Richard Carufel of Wilmington, N.C., for \$15,537, among others.

Joined

James Florez, co-founder, McKinley James Agency and former GM for Burson-Marsteller/Dallas and Edelman/Texas, to Allison+Partners as general manager of its Dallas office. Key clients include Toyota, Flowserve, Supplemental Health Care and the Dallas Police and Fire Pension Fund. He takes over for Jackson Harrell, who turns his focus to strategic consulting, client service and supporting the agency's overall growth in Texas and the corporate practice. He was also lead brand strategist at Dallas-based M/C/C.

**Florez**

Stephanie Tackach, senior associate, SapientNitro, to Kite Hill PR, New York, as PR director. Kite Hill specializes in clients in the media, online advertising and technology industries with clients like Issuu, Pulsepoint and Sherpa Digital Media.

Edward Dumas, deputy director, external comms. for the Metropolitan Transportation Authority, to the Long Island Railroad, Jamaica, Queens, as VP for marketing development and PA.

Ken MacFadyen, speechwriter and communications specialist in the Office of the CEO at Panera Bread, to BackBay Communications, Boston as an A/D. He also worked in the global communications/IR group of The TJX Companies and is a former editor-in-chief of Mergers & Acquisitions.

Liz Wasden, a seasoned media PR exec most recently in Facebook's New York communications unit, is moving to BuzzFeed as VP of communications. Wasden previously directed communications for the "CBS Evening News with Katie Couric" and later repped Couric's syndicated talk show, "Katie," before joining Facebook in April 2013. Wasden earlier worked editorial publicity for Forbes and handled media for chairman Steve Forbes after starting out on the agency side with GCI and Porter Novelli. Capital New York first reported her move to BuzzFeed. Ashley McCollum, VP of business development and communications, was upped to chief of staff.

Ariella Steinreich to Steinreich Communications, Fort Lee, N.J., as media relations director. She worked at Burson-Marsteller and Kwitken and interned at Steinreich.

Promoted

Stefan Gerard to global strategic integration lead, FleishmanHillard, New York. He also leads the office's brand marketing group and is a senior VP and senior partner.

Howard Goldstein to VP, FoodMinds, based in San Francisco for the Chicago-headquartered firm. He spent eight years with the firm after stints with Thomson Financial and Porter Novelli.

**Gerard**

Karen Buerkle to managing director of APCO Insight, the opinion research consultancy of APCO Worldwide. Bill Dalbec takes the role of deputy managing director.

2014 YEAR IN REVIEW

Income disparity was one of the engines driving the protests that were ignited by the deaths of Michael Brown and Eric Garner at the hands of police. Whether police were at fault or not in the specific incidents, they focused rage at perceived discriminatory treatment.

New York policemen Wenjian Liu and Rafael Ramos lost their lives to the rage Dec. 20 when crazed Ismaaiyl Brinsley, who vowed on Instagram "I'm putting wings on pigs," shot them in their patrol car. He committed suicide.

Annual income for the average American family is at the 1960s level. Black and minority families have fared far worse. A Pew study Dec. 17 found the "wealth gap" between the top 20% and the rest is at its biggest in 30 years. Net worth of top 20% climbed 101% to \$639,400 in that period while net worth of those of middle income rose 2.3% to \$96,500.

PR and promotions had to play against this backdrop as well as unsettling international news including the summer of carnage in Gaza/Israel, the slaughter of at least 148 including 132 children in Pakistan, the continuing face-off of Russia and the Ukraine, and other hot spots. *New York Times* struggled to report fairly on Gaza/Israel while bombarded by critics on both sides.

Distressing news included the crashes of two Malaysia Airlines flights within five months, the first taking 239 lives over the Indian Ocean in March and the second 295 lives after being shot down July 17 over Ukraine.

Revelations of torture of prisoners by the CIA late in the year were an embarrassment to government officials involved and shook the belief among Americans that we are somehow better than barbaric foreign countries. Some government officials supported torture and a Pew study found a majority of Americans agree with them.

The GOP's victory in November, adding the Senate to the GOP column and in many state offices, was a seismic shift towards a conservative philosophy. Candidates who identified themselves with "family values" won in almost every instance. Almost no media acknowledged this although there was rejoicing in conservative and religious organizations such as the Family Research Council.

The beheading of journalists by ISIS caused revulsion in the U.S. But 32 states still conduct executions which critics say is not only barbaric but insanely costly. California spent \$4 billion on 13 executions since 1978 or \$308 million per death. Life in prison is not only hu-

mane and four times as inexpensive, but can be economically productive. Lawyers make billions in the appeal process which averages 14 years per execution.

Traditional media continued to take a pasting with the *New York Times* demanding that 100 reporters take retirement or face being fired. Some of its most experienced writers such as Floyd Norris and Stuart Elliott took packages that gave them more than two years' pay.

NYT said it will decide in the New Year whether to name another ad columnist. Elliott mostly wrote about ad campaigns and covered PR about once a year. He tried to help 2011 PR Society chair Rosanna Fiske define "PR" and described a new name and ad campaign for FleishmanHillard.

What NYT needs is a "communications" column that will cover ad/PR equally and in depth. PR people have a profound influence on the flow of information and access to

newsmakers.

The New Republic almost self-destructed as writers rebelled against policies of new owners.

On the PR side, *Bulldog Reporter* stopped barking after a run of 35 years. It filed for bankruptcy showing debt of nearly \$900K. Headstones in the graveyard of PR media include *PR Reporter*, *PR Quarterly*, *Reputation Management Mag*, and the print versions of *The Holmes Report* and *Ragan Report*. Advertising Age went to bi-weekly after more than 80 years as a weekly. *New York mag* cut to 29 issues from 42. *PR Week* in the U.S. and U.K. are monthly mags.

Ninety-nine mag titles went belly-up in 2014 vs. 56 closures in 2013, according to Oxbridge Communications. Casualties included *USA Weekend*, *Macworld* and *WWE Magazine*. The Oxbridge MediaFinder.com also found that 190 mags debuted in 2014, up from 185 in 2013.

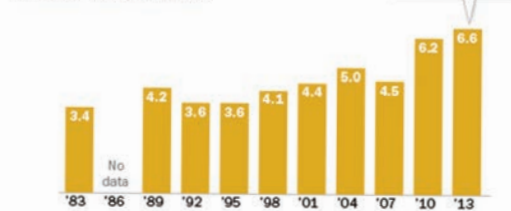
It's no secret where much of the ad money is going. Google's AdWords rake in \$50 billion and significant ad income is now being registered by Facebook, Twitter and LinkedIn.

U.S. newspaper ad revenues plunged to the \$20 billion mark from \$47 billion in 2007.

Few in recent generations read newspapers. Marketers judge papers by how much of a particular product a newspaper's readers buy. Local media suffer because residents anywhere can easily read not only the *New York Times*, *Washington Post*, *Wall Street Journal*, and *Huffington Post* but overseas media such as *The Independent*, *The Telegraph*, *The Guardian*, *Al Jazeera*, RT (Russia Today), Press TV (Iran), and access services such as EIN News which monitors online news worldwide.

Wealth Gap Between Upper- and Middle-Income Households at Record High

Median net worth of upper-income families is ... times greater than that of middle-income families



Source: Pew Research Center tabulations of Survey of Consumer Finances public-use data

PEW RESEARCH CENTER



(Continued on page 8)

Sony Corp. generated a media firestorm when hackers allegedly aligned with North Korea broke into its communications system and outed emails, contracts and other documents, apparently in retaliation for its film "The Interview," a comedy about an assassination plot against North Korean leader Kim Jong Un.

Sony attacked media using such info, saying they would be "responsible" for any damage arising from use of the documents. A First Amendment debate ensued after the studio canceled release of the movie.

The General Motors "faulty switch" scandal broke early in the year and keeps getting "new legs" by revelations of failure to heed early warnings of problems with the switches. Sixty million cars were recalled by all companies in 2014, double the previous record of 30.8M set in 2004.

A bright spot for us was attending a journalism panel at CUNY hosted by the Investigative Reporters Assn. that featured New York Times reporters Dave Barstow and Walt Bogdanich. They told fledging journalists to get to sources before they are "shut down" by lawyers and to "go over the heads" of PR people who stonewall.

Ploys include calling subjects and saying you have information for them rather than questions and pretending not to know much about a subject. Play "the country bumpkin" and "don't be afraid to be a fool or look like an idiot," advised Bogdanich.

We were glad to hear that "going over the heads of PR people" who stonewall was described as basic journalism.

The PR Society used a full page in its Tactics tabloid to accuse us of an ethical violation because we contacted the president of the University of Nebraska in 2011 after Prof. Gail Baker, then chair of the Society's Ethics Board, refused to answer phone calls and e-mails. She quit the EB within four hours. The Society said we had no right to go to the boss of Baker.

PRSA was rocked in March by the sudden resignation of Bill Murray as CEO even though his contract extended to the end of the year. He gave no reason except that he made the decision after "deep reflection."

The belated Society income tax return revealed he got a \$63,058 bonus in 2013 after getting a \$61,000 bonus in 2012. The Assembly did not get to see either document. Total pay in 2013 was \$430,973. He went the National Coffee Assn. as CEO, an organization with a staff of nine (vs. nearly 60 at the Society).

The Society continued its boycott against the O'D-

wyer Co., refusing to rent exhibit space to the company for its 2014 national conference in D.C. and refusing to allow any O'Dwyer reporter to join although hundreds of writers and journalists are members including PR and J profs who do plenty of writing and reporting.

PR practitioners/journalists such as Fraser Seitel, author and PR counselor, and Gil Schwartz, PR head of CBS and *Fortune* columnist, have been members in the past.

Informed of the Society boycott, the Washington Marriott Wardman Park Hotel, where the 2014 conference was held, set aside a table in the bar for four days so the O'Dwyer Co. could display its six products. However, fewer than ten of the 3,000 attendees visited us.

One of them was a student (among 1,000 at the conference) to whom we gave samples of the products. There's no doubt a

hex was put on us. Society leaders and staff sat across from us much of the time, watching who might come.

PRSA stonewalling infected the 6,483-student body Elon University of N.C. including its president, J and PR profs, the PR dept., and the student newspaper who all took a pass when PR Student Society president Heather Harder obeyed orders from national PRS not to deal with the O'Dwyer Co., forfeiting her rights of free speech and free inquiry.

Another casualty is NBC newscaster Brian Williams, whose son Douglas went to Elon and who is spearheading a \$15 million fund drive. Williams should not be within ten parsecs of a press boycott.

Politico, the hotshot D.C. website/magazine, came to New York by acquiring Capital New York and opening an office on West 39th st. with 42 staffers covering politics and media and promising "hard-hitting journalism." We hope so. Some of the content is free but "premium" service can be \$3,000 or more depending on size of the user company. Susan Glasser replaced founders Jim VanDeHei and John Harris as the top editor in D.C.

A shocker was the revelation that the 2014 cast of the "Financial Follies" of the New York Financial Writers Assn. included seven professional actors and actresses as well as seven NYFWA members.

Only members ever appeared on stage until the past few years.

NYFWA once had nearly 20 members from NYT, many taking part in the show, as well as writers from other major financial media. The show was a way for PR people, who made up almost half the cast, to get to know the writers. About 90 or nearly one-third of members are now freelance.

The evening remains a media/PR highlight of the fall with about 1,100 in happy attendance.

For some reason, mainstream financial writers no longer want to be in the show.

— Jack O'Dwyer



Murray