



Jack O'Dwyer,
Editor-in-Chief

O'Dwyer's Newsletter

The Inside News of
PR and Marketing
Communications

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

February 6, 2017 Vol. 50 No. 6

NEW YORK STATE SEEKS EQUINE PR

The Agriculture and New York State Horse Breeding Development Fund has **issued an RFP** to solicit responses from a firm to provide equine marketing and public relations services.

The Fund and the New York Sire Stakes, the nation's oldest harness racing program of its kind, seek to promote agriculture through the breeding of horses.



In 2001, the NYS legislature amended the pari-mutuel law, allowing video lottery terminals at the state's harness race tracks. The first racino opened at Saratoga Raceway in 2004, paving the way for racinos at the remaining six harness race tracks statewide.

Money from the pari-mutuel handle and video lottery terminals at the licensed tracks across the state is used to provide purse money for the New York Sire Stakes, which have more than doubled since and continue to increase.

The deadline to submit a response is March 3, 2017 at 3:00 p.m. Per Section **1.10 of the RFP**, please refer any questions or inquiries to the following designated contacts, via e-mail: nysirestakes@gaming.ny.gov: Ron Ochrym, Acting Executive Director or Mark Stuart, Counsel

SITRICK AIDS SHIPPING CO TOISA IN CHAPT. 11

Sitrick and Company is handling bankruptcy communications for Toisa Ltd., the shipping fleet company that services the offshore oil industry.

Toisa filed for Chapter 11 protection Jan. 30 in New York, citing a prolonged slump in global oil prices, among other factors, in a need to restructure.

The company said it has sufficient liquidity to keep operating amid talks with lenders.

Sitrick's Brenda Adrian heads the account.

Toisa is owned by Greek shipping magnate Gregory Callimanopulos. The company said customers and vendors have been historically paid by management agents outside the Chapter 11 filing.

The **Wall Street Journal** reported debts and assets of the company top \$1B with loans due to Citibank, the Export-Import Bank of China and ING Bank. Toisa's New York bankruptcy attorney told the Journal the company's complex capital structure made it difficult to negotiate with the lenders outside of Chapter 11.

KARBO GRABS TDK U.S. PR ACCOUNT

Karbo Communications has been named PR agency of record for TDK U.S.A. Corporation, a wholly owned subsidiary of TDK Corporation. Twelve agencies were considered in the five-month review. There was no incumbent.

TDK is a \$10 billion Internet of Things global giant offering components such as sensors used in steering columns of cars to improve the accuracy of automated parking systems, technology that reduces the size of fitness and activity wearables and helps them interact with smartphones, and applications that assist renewable energy and home appliance companies reduce the cost of their products while making them safer.

Karbo will be responsible for all marketing, branding and PR activities, including messaging, media and analyst relations, content development, speaking opportunities and special events.

TDK exhibited at this year's Computer Electronics Show in Las Vegas, NV, with assistance from Karbo's team.

"Clients, in general, are asking for more help with content as well as capabilities across the whole marketing communication spectrum, encompassing graphic design

(Continued on pg. 2)

FLORIDA KEYS REVIEWS TOURISM PR

The tourism development council for the Florida Keys is reviewing its PR account with an open RFP through mid-March.

The Monroe County Tourism Development Council, which promotes the Keys and Key West under the "come as you are" tagline, released an RFP January 27 for a full-service PR agency.

Miami's Newman PR is the incumbent.

Proposals are due March 31. The **RFP is available at the council's online procurement site.**



(L to R) Rich Meher, dir., corp. comms., TDK U.S.A. Corp.; Margaret Pereira, sr. VP, Karbo Comms.; and Yoichi Osuga, mgr., corp. comms. group, TDK Corp., at CES '17 TDK booth.



KARBO GRABS TDK U.S. PR ACCOUNT (Cont'd)

to marketing research,” Julie Karbo, Karbo Communications founder and CEO, told O'Dwyer's. “Our clients want a holistic approach to developing content and populating all their social media platforms.”

Karbo's dedicated IoT group has been serving clients in this market for over three years and her firm is the agency of record for eBay Advertising, industrial IoT leader RTI, and is an ongoing content developer for personal and computer peripheral provider Logitech.

“TDK U.S.A. Corporation conducted an extensive U.S. agency search and in the final analysis, we chose Karbo Communications because they provide the optimal combination of strategic expertise and state-of-the-art digital PR and branding services,” said Rich Meher, director, corporate communications, TDK U.S.A. Corporation.

TOP MEDIA M&A DEALS IN '16 TOTAL \$153.9B

Acquisitions conducted by Time Warner over AT&T (\$105,266B), Microsoft over LinkedIn (\$25,887B), and 21st Century Fox over Sky (\$22,736B) accounted for \$153.9 billion, which is slightly more than one-third of the information industry's aggregate mergers and acquisition value during 2016, according to BerkeryNoyes investment bank.

Other top transactions were IHS buying Markit Group (\$10,974B), Micro Focus Int'l buying software business from Hewlett Packard Enterprise (\$8,730B), Tencent Holdings buying Supercell (\$8,600B), Oracle buying NetSuite (\$6,622B), AOL buying Yahoo (\$4,826), Symantec buying Blue Coat (\$4,722B), and Siemens AG buying Mentor Graphics (\$4,500B).

Key trends include an 11 percent increase in e-commerce volume in the online and mobile horizontal, four percent increase in the consumer software volume in software and four percent increase in the entertainment content volume in media and marketing.

Sixty-six percent of all information industry transactions involved a target company which conducts the majority of their business online.

Total transaction value in 2016 rose to \$433.89 billion, a 27 percent increase year-over-year.

WEDNESDAY IS PITCH DAY

PitchFriendly, software that helps you with media outreach, tracked 100,000 pitches sent through its program in 2016. 29 percent were sent on Wednesdays, 16 percent on Mondays and understandably only 1 percent went out on a Sunday.

Just under 28 percent of all pitches are ever opened. Friday has the best opening odds at 32 percent; Monday is 30 percent. Wednesday, which is the most popular day to send, offers the worst chance of getting your pitch read at 23 percent. Follow-up pitches follow the same open rates as initial pitches.

Users with 30 or fewer media contacts experienced more than a 50 percent overall open rate. Lists averaging 162 contacts had less than a 25 percent average open rate.

PitchFriendly was developed by Joel Andren and Paul Denya. Together they founded PR startup PressFriendly in 2013.

PROFESSIONAL DEVELOPMENT

THE IMPORTANCE OF TRUTH IN PR

By David Ritchey, Ph.D., professor in the School of Communication at The University of Akron.



What is truth? In the last few weeks, we've heard a great deal of discussion regarding alternative facts, fake news and false stories. Reporters for newspapers, TV and radio take a beating for releasing what some people think might be untruths.

But, as public relations professionals, we must work diligently to avoid getting caught in a journalistic snare. Putting it simply, you won't find truth in a battle with people who buy ink by the barrel.

The opposite of truth is not always a lie. A lie is an untruth used for the purpose of deceiving. A misstatement isn't a lie. It's simply an error made by misperception.

Truth is truth as I know it. When I worked at a city hall a number of years ago, I taught reporters a few basic rules regarding truth.

First, truth is truth as I confront it. Truth is what I see and what I hear, smell, feel and taste. Yet, any of my senses may be corrupted by someone seeking to deceive or by a misinterpretation of my senses.

Second, I may tell you I know the answer to your question but I can't answer the question at this time. That's truth. I might know a bit of information, but I can't reveal it at this time.

Third, “I don't know” means simply that — I don't know. Don't continue badgering, prodding or begging. I'm telling the truth; I don't know.

As public relations professionals, we need to tell the truth because, whether you like it or not, the public relations community is too small for us to lie. That lie will make the rounds in our community and destroy a reputation. Note the number of books published in the last few years to help maintain a good reputation.

For a number of years, I worked in a large public relations agency. One colleague refused to submit her time sheets promptly. In fact, when she worked on her time sheets she would announce, “time for fiction writing.” The dishonesty slowly destroyed my colleague's career.

We reason ethically by following the contract our agency has with a client. Sometimes the client makes it difficult for us to remain ethical or, at the baseline, honest.

One such client had an eye for lovely women. In the lobby of a large hotel, he walked toward me with a beautiful young woman on his arm. “David, you know my wife,” he said. “Yes, I do,” I said to him. I turned to his friend and said, “and, what is your name, my dear?”

The client learned two important lessons: First, be honest. Second, don't let your public relations staff see something they shouldn't.

We're big boys and girls, but don't force us to observe a nasty scene out of your private life. We won't manufacture a story to protect you in divorce court. Too often we argue that our perception is truth. Is it? We interpret our perceptions through a filter from our past, our experiences and our hopes and dreams.

We represent our clients to the public. By speaking and writing honestly about our client and the client's products or services, we hold our client up to the world's inspection. And, that's the truth.

NEWS OF PR FIRMS

SPMJ OPENS IN NEW ORLEANS

SPMJ Comunicação is celebrating 30 years in business with the opening of its first U.S. office in New Orleans.

The agency specializes in service to international brands that promote activities in Brazil and Latin America, such as IEEE, Irdeto, Silver Springs Networks, and Abbvie.

SPMJ believes that the new site will be, along with support for current clients, a strategic move to work with U.S. clients looking to do business in Brazil.



Katie Gray, Sergio Poroger

“Our company was one of the pioneers in supporting international brands since the 1990’s, by identifying an opportunity to work with large companies that come to Brazil, but do not have knowledge of the Brazilian market,” said Sergio Poroger, associate director of SPMJ.

Katie Gray will serve as international business development manager at the new office and will be responsible for local prospecting. SPMJ handles aviation, tourism, healthcare and technology PR.

SOCIAL MEDIA NEWS

SNAPCHAT MAKES A BIG BET WITH IPO

By **Ronn Torossian, CEO of 5WPR**



The parent company of image sharing social media app Snapchat recently filed its official paperwork hoping to bring in \$3 billion for its initial public offering. The shares available will be non-voting shares, so the corporate decision-makers will still maintain control of the company going forward, at least in the short run.

The bigger question than “who’s in charge” relates to valuation. Snapchat is undoubtedly popular. The site claims 158 million daily users and more than 2.5 billion “snaps” created every day. That’s a lot of people and, therefore, a ton of potential lists of private information to resell to advertisers and marketers. But, given the way Snapchat operates, the profit centers for that app are not nearly as developed as those for Facebook.

Snapchat users trend young and impressionable. They are also web savvy and more apt to make quick decisions about what to buy right now based on something they see online. That said, because of the nature of “snaps,” users are not really thinking about products and services when they’re trading pics through the app.

Snapchat admits it continues to struggle to turn a profit, and the company admits it may not have a solution for that key problem anytime soon. Last year alone, the company lost more than half a billion dollars, up from about \$373 million the year before.

According to a report published by CNN, Snapchat admits they may never be profitable: “We have incurred operating losses in the past, expect to incur operating losses in the future, and may never achieve or maintain profitability ... for all of our history, we have experienced net losses and negative cash flows ...”

Not exactly the vote of confidence investors are looking for.

Social marketing continues to change our business.

NEW ACCOUNTS

New York Area

Resound Marketing, Princeton, NJ, is now agency of record for **Sakar International, Inc.**, licensor of over 40 major entertainment and corporate brands including Vivitar, a Sakar-owned brand that offers affordable technology for everyday use such as mobile and audio accessories, action cameras, drones, and smart home devices.



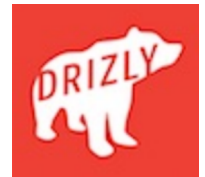
Turner, New York, has been named North American PR agency of record for global hospitality brand **Barceló Hotel Group**.



Barceló maintains more than 100 hotels and resorts in 20 countries across Europe, North America, Africa, Latin America and the Caribbean through four brands: Royal Hideaway Luxury Hotels & Resorts, Barceló Hotels & Resorts, Occidental Hotels & Resorts and Allegro Hotels. The family-owned brand was founded in Palma de Mallorca, Spain, in 1931.

East

360PR+, Boston, has been selected as agency of record for **Drizly**, an e-commerce shopping platform which lets consumers search for beer, wine, and spirits from their local retailers and then select one-hour delivery or in-store pickup. The service is now available in more than 40 cities across the U.S. and Canada.



PEOPLE

Joined

Ken Tiratira to **Imprenta Communications Group**, Los Angeles, as senior VP of operations and chief strategy officer. Tiratira will serve on the ethnic marketing and public affairs shop’s executive leadership team and manage day-to-day operations. He most recently was executive VP and COO for the Employers Group where he was responsible for directing and overseeing federal and state advocacy activities.



Ken Tiratira

Susan Goldstein to **Makovsky**, New York, as partner, chief strategy officer and managing director of health. She’ll report to president and CEO, Ken Makovsky. Most recently, Goldstein was president, business development and growth initiatives for Ruder Finn after serving eight years as chair of their global healthcare practice. She also led the U.S. healthcare practice at Ogilvy Public Relations Worldwide prior to her time at RF.



Susan Goldstein

Promoted

Jenna Kantrowitz to senior VP/chief operating officer at **Fish Consulting**, franchise PR and marketing specialists. Kantrowitz has been with the agency for more than a decade and will now guide overall operations and strategic counsel for clients.



Jenna Kantrowitz

EXECUTE SUCCESSFUL EVENT ACTIVATIONS

By Rachel Thomas, Senior Content and Research Associate at Bospar



Unfortunately, you can't just launch a brand or product, step back and expect the world to take notice. There are, of course, myriad PR tactics to achieve said notice, but one of them is the "event activation."

Pulling off on an interesting event with lots of consumer and media interest, will save you a ton of work hunting down press to cover your new brand. If it's successful, the media will come to you.

So what are the key components of a successful event activation?

Let's use a sort of case study. CrowdOptic is an augmented reality company who, back in 2013, **partnered with L'Oreal**. The event they put on was a huge success for both companies; here are some key takeaways:

Don't go it alone

A lot of brands will try to lone-wolf their start, which gives them an immediate handicap. Look for ways to associate your new brand with an older, highly trusted brand and piggyback off of their customer base and reputation.

CrowdOptic had a fascinating augmented reality product so, for the seventh annual Luminato Festival, L'Oreal used CrowdOptic's software to treat festival goers to a unique augmented reality experience.

This is the best kind of event activation relationship: L'Oreal aligned themselves with something flashy and technologically next-level, and CrowdOptic reaped the benefit of association with a major brand.

Do something impressive, or don't do it

Your event should be something that is actually exciting, not just a glorified press conference with someone clicking through a new product presentation. Especially with no preexisting brand awareness, it's got to be big and interesting.

CrowdOptic's idea for the Luminato Festival was just that: a virtual art exhibit. Using the event's special app, attendees could point their phones around in the air, revealing virtual art pieces suspended in empty space — a delightful, otherworldly experience.

Put your product in people's hands

One of the things that made the Luminato Festival such a success for CrowdOptic was that it put the augmented reality directly in the hands of the people.

Imagine if they had just shown everyone a walk-through? Not nearly as impressive. People needed to know what it felt like to conjure art out of thin air. Of course, the virtual art exhibit was a very small example of what CrowdOptic's augmented technology can do, but the important thing is that all of the festival-goers got to have a personal interaction with it.

Likewise, whatever your product, your event should get people interacting with it — this will be a much more powerful and memorable experience than just having it explained to them.

PR OPINION

Prominent blacks are the focus of the first-ever Black PR History Month Feb. 10-March 8. National Black PR Society, Mike Paul and others have wondered why there are so few blacks in high PR posts. The Museum of Public Relations is hosting the month-long exhibit at the Baruch College Newman Library, 151 E. 25th st. kick-off event is Thursday, Feb. 9, 6-9 p.m., at Baruch College, 55 Lexington ave., (25th st.) room 14-220.

Reservations are required.

NBPRS is co-producing the event which features Rochelle Ford, chair, PR Department, Syracuse University; Denise Hill, professor, Elon University; Judith Harrison, SVP, Diversity and Inclusion, Weber Shandwick and president of PRSA Foundation; and Donald Singletary, adjunct professor, Baruch College and Syracuse University.

Son of Inez Kaiser, Is Speaker

Special guest speaker is Rick Kaiser, son of Inez Kaiser, who taught home economics in public schools for more than 20 years in Kansas City and who in 1957 became the first African-American woman to open a PR firm, handling national clients. She died July 31, 2016 at the age of 96. Others honored will be **Ofield Dukes**, Washington, D.C., counselor, and **Moss Kendrix**, Coca-Cola marketing executive. Some 300 college students are expected.

A **study by NBPRS** shows that while black PR practitioners are making progress in mid- and senior-level positions in the PR industry, they are still unable to break into the top rung. "There's no speaking about jobs and contracts without addressing the lack of blacks at the senior level in agencies and corporations, and the need for systematic programs to correct the situation," said Deborah Hyman, NBPRS immediate past president. A survey found that none of the 20.6 percent of respondents in the corporate sector were at the executive level.

O'Dwyer Poll Finds Little "Discrimination"

An O'Dwyer website Jan. 13-19 asked whether the ad/PR industry practiced "discrimination" or whether talented blacks were attracted to other industries. The vote was 6% for the former and 94% for the latter.

PR jobs rank near the top in producing stress, says CareerCast.com, whose rankings are picked up by HuffPost and many other media.

Andrew McCaskill, SVP/global communications of Nielsen, the only black on the 17-member board of PR Society of America, has a special duty to see that the Society lives up to the high ideals of Martin Luther King as well as the high ideals of Nielsen and PRSA. He represents New York, New Jersey and Connecticut.

Only a few PR pros have been on the staff of PRSA since 1980. There were many in the 1960s and 1970s when ex-journalist Rea Smith presided. A staff member now has the CEO title. Publicis executive Mark McClennan, 2016 elected chair, was not allowed to answer an email or phone call from us.

The **Society has relocated h.q.** to another office downtown without subjecting the decision to the Assembly or membership. Most PR/ad/media companies and associations are in mid-town.

— **Jack O'Dwyer**