



**Kevin McCauley**  
Editor-in-Chief

# O'Dwyer's Newsletter



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

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February 19, 2018 Vol. 51 No. 8

## **OMNICOM'S Q4 NET SLIDES 27.4%**

Omnicom Group last week reported a 27.4 percent drop in Q4 net income to \$254.4M, following a \$106.3M charge for enactment of the "Tax Cuts and Jobs Act." Excluding the charge, net was up 3.0 percent.

Q4 revenues slipped 1.5 percent to \$4.2B. Organic growth advanced 1.6 percent, sparked by a robust 8.2 percent rise across Europe.

North American organic growth fell 0.8 percent, while the UK dipped 0.7 percent and Latin America slipped 0.3 percent.

OMC's PR group (Ketchum, **FleishmanHillard**, **Porter Novelli**, Brodeur Partners, Kream, **Cone Communications**) showed 1.1 percent growth during the quarter to \$362.8M.

The PR units chalked up flat revenues of \$1.4B for the full year.

OMC's stock is down eight percent to \$76.16 on the earnings news.



## **IPG REPORTS 3.4% Q4 GROWTH**

Interpublic last week reported 3.4 percent growth in Q4 revenues to \$2.3B and flat net income of \$317M.

Organic revenues advanced 3.3 percent with 3.7 percent growth in the US and 2.9 percent overseas.

CEO Michael Roth said the financial performance was a "testament to the talent and dedication of our people around the world and the work we do to help clients win the marketplace."

IPG's constituency management group, which includes Weber Shandwick, DeVries Global, Current Marketing and Golin, rebounded to grow 2.7 percent to \$409M during the quarter.

For the full-year, it was down 2.8 percent to \$1.5B.

**Weber Shandwick** CEO Andy Polansky said the PR component of CMG was "slightly down" on both an organic and reported basis from "single-digit growth" of a year ago.

Current Marketing was a "stand-out performer," while DeVries posted "solid growth," according to Polansky.

Weber Shandwick and Golin are well-positioned for growth this year. "We're getting positive vibes as clients are becoming more positive about the outlook for 2018," said Polansky.

IPG bolstered its dividend 17 percent to 21 cents per share and reauthorized the repurchase of an additional \$300M in stock, moves that Roth said reflected the firm's "continuing operating success" and confidence in the future.



**Michael Roth**

## **Boost New Biz Efforts, Join O'Dwyer's Rankings**

Your ranking will be [posted on odwyerpr.com](http://www.odwyerpr.com) and you can use it in new business pitches. Clients have come to rely on firms in the O'Dwyer rankings. [Download ranking instructions PDF](#). **Deadline to submit: Fri., Mar. 2**

## **BROOKLYN NAVY YARD SHOPS FOR PR FIRM**

The Brooklyn Navy Yard Development Corp. is looking for a PR firm to position it as a "global model for urban manufacturing, equitable economic development and community partnerships," according to its RFP.

The 300-acre waterfront asset is home to more than 330 businesses employing 7,000-plus people who generate over \$2B a year in economic impact for New York City.

BNYDC is a non-profit organization that serves as real estate development and property manager of the Yard on behalf of its owner, the City of New York. It wants a PR partner to guide media outreach in an effort to broaden awareness of its mission and work.

The firm could highlight BNYDC's space leasing efforts, exhibits and programs and long-term development efforts under its comprehensive Master Plan to more than double employment to 16,000 by 2020.

RFP is available at [infoPRRFP@bnydc.org](mailto:infoPRRFP@bnydc.org).



## **LATOUR TURNS LIGHTS OUT AT GE**

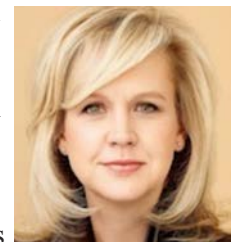
Deirdre Latour will leave her VP-chief communications officer post at restructuring General Electric on March 16 to pursue other opportunities.

In her 14-year run, Latour guided GE in its bid to position as a digital industrial company, created and led the "war room" to deal with the global financial crisis, and handled media during the CEO succession from Jeff Immelt to John Flannery.

Latour did a six-year stint at GE's PR firm, **Edelman**, before joining the company.

Chief marketing officer Linda Boff, who took on the chief learning officer role in January, will assume Latour's duties until a replacement is named.

In his statement, Flannery said he was grateful for Latour's "willingness to assist me through this important transition period and want to thank her for her service to GE."



**Deirdre Latour**

## **PR SALARIES UP, BONUSES DOWN**

Salaries are up in the PR business, but bonuses have taken a hit, according to the **Official PR Salary & Bonus Report**, published by executive search firm Spring Associates.

The report, which analyzes compensation statistics from SA's database of more than 24,000 vetted PR and corporate marketing communications executives, found that pay in the corporate marketing comms arena was flat for 2017 while their bonuses suffered a slightly smaller drop than those of their PR peers.



"Before compiling this year's Salary & Bonus Report, we sensed a general feeling of optimism from both candidates and clients alike, that the salary and bonus numbers would increase markedly," said Spring Associates president Dennis Spring.

The data don't quite justify that optimism. Nationwide, PR execs received salaries averaging \$108,400 last year, up 3.2 percent from the previous year's \$104,900, while average earnings for corporate marketing comms pros dropped from \$136,400 to \$136,000. Bonuses for PR execs averaged 9.1 percent of base salary, a 6.2 percent drop from the previous year. Corporate marketing comms exec saw their bonuses shrink 5.6 percent to 19 percent of base salary.

The study found geographical variations in compensation as well. In what the study refers to as the eight key metro areas (New York, Atlanta, Chicago, Los Angeles, Boston, Houston, Washington and San Francisco), the average salary for PR execs came in at \$112,850, while outside those areas the number was \$99,500. For corporate marketing comms pros, pay in the key metro areas averaged \$145,550, while for the rest of the country it was \$128,400.

As regards hourly billing rates, the study says they were up 1.7 percent overall, with the rates in the midwest showing the largest rises and those on the west coast reporting drops.

"We still remain optimistic that the PR business will show a jump in salaries and bonuses later this year," Spring said, "and if we detect an appreciable increase, or decrease, we will issue an updated version of the Report."

## **SIG SAUER TARGETS HARRIS FOR PR**

Sig Sauer Inc. has named Joel Harris media relations and communications director at the Newington, NH-based firearms manufacturer.

He's responsible for Sig Sauer's shooting sports initiatives and the Team Sig line-up of professional shooters.

Harris, who has more than 20 years of experience in the shooting, archery and outdoors industries, will oversee outreach and all content initiatives, including articles, releases and press kits.

His objective is to promote Sig Sauer's image in a coordinated and consistent matter across all forms of media.

Most recently, he was head of global PR for Carl Zeiss Sports Optics (riflescopes, binoculars).

Harris reports to Allen McCormick, VP-marketing.



**Joel Harris**

## **LEVICK GOES TO BAT FOR TRADE WITH KOREA**

Levick will represent South Korea's Ministry for Trade and Energy as it works to promote the benefits of the US Korea Free Trade Agreement.

Serving as subcontractor to K&L Gates law firm, the Washington-based strategic communications shop will educate Americans on the benefits of the trade deal.

Using social media, media outreach, events, and meetings with policy influencers, Levick is expected to pitch Korea as a developed country that invests in the US economy fairly, employs US workers and contributes to American consumers.

Though Levick is still hammering out details of its work, it decided to register with the Justice Dept. "in an abundance of caution."

President Trump on Feb. 13 called the 2012 trade agreement with Korea "a disaster." He promised to either renegotiate a "fair deal" or junk it.

US and Korean envoys began re-working the trade pact last July.

## **QATAR SIGNS SGR FOR PR PUSH**

SGR LLC has landed a \$40K per month pact to provide government relations/consulting services to Qatar, which has been under an economic blockade by its Arab neighbors led by Saudi Arabia.

The PR engagement is through law firm Venable and calls for SGR to handle outreach to the US Congress, federal policymakers and the media.

Under the agreement, Qatar's DC embassy provides SGR written directions at the beginning of each month to outline the specific actions to be performed during that period.

SGR is to receive its retainer by the 5th of each month. If payment is not received by the 10th, SGR has the right to stop its work.

The Arab states erected their blockade mid-June of last year due to Qatar's alleged support of terror groups and its cozy relationship with Iran.

## **B-M TAPS ENGESLAND AS NORWAY CHIEF**

**Burson-Marsteller** has appointed Bente Engesland CEO of its Norwegian operations, effective June 1. Engesland takes over from interim CEO Wenche Halsen, who will remain as part of the firm's Norway leadership.

Engesland joins B-M from Statkraft, an energy company owned by the Norwegian government, where she is senior VP of corporate communications. She has also served as head of news at NRK, the Norwegian state-owned radio and television public broadcasting company.



**Bente Engesland**

## **MP&F FOUNDER TO LAUNCH NEW FIRM**

**MP&F Public Relations** founder Mark McNeely will step down from his role as a senior partner, the Nashville-based agency reported today.

McNeely now plans to launch a new strategic communications firm, McNeely Brockman PR, along with his daughter Kelly McNeely Brockman.

That new operation, which will focus on media relations, media training, crisis communications and strategic planning, will be housed inside MP&F's Nashville facilities. It is set to launch on June 1. McNeely and Brockman will be the sole leaders of the new venture.



**Mark McNeely**

A former journalist with *The Knoxville Journal*, Memphis' *The Commercial Appeal* and the *Knoxville News Sentinel*, McNeely founded the firm that became MP&F in 1987. Current clients include Blue Cross Blue Shield of Tennessee, FirstBank, Math for America, the Nashville Chamber of Commerce, PhRMA and the Ohio Valley Conference.

McNeely stepped down as MP&F managing partner in 2016. He was succeeded in that role by David Fox. MP&F's other founding partner, fellow former newspaperman **Mike Pigott, died in 2015**.

McNeely will continue to maintain a role with MP&F, working alongside the company's teams on clients as requested while building his own book of business.

MP&F is the largest independent, Tennessee-owned PR firm in the state. The Nashville firm in 2016 accounted for more than \$7.8 million in net fees.

## **WEBER SNAGS UNDER ARMOUR'S GURU**

Chris Ferguson, who was senior global creative director at Under Armour, has joined **Weber Shandwick's** DC office as executive creative director.

With more than 20 years of traditional and interactive marketing experience, he'll oversee creatives in Washington, Baltimore and Dallas.

At Under Armour, Ferguson handled global brands such as Nike Running and Google Wallet. He also held top creative posts at Tribal Worldwide, R/GA, TBWA Chiat Day and Young & Rubicomb.

His campaign for the Ad Council to promote famine relief in the Horn of Africa raised more than \$100M and was shared 115M-plus times in 24 hours.



**Chris Ferguson**

**BRIEF:** *Vanity Fair* is letting go of around 15 employees as it adjusts to life under new editor Radhika Jones, according to a piece in the *Hollywood Reporter*. The cuts include several senior staffers, among them managing editor Chris Garrett, features editor Jane Sarkin, associate managing editor Ellen Kiell and executive head of communications Beth Kseniak. About five staffers were axed at *Glamour*, another Conde Nast publication, which recently brought on print novice Samantha Barry as editor-in-chief.

## **RIGGS EXITS MWWPR**

Mark Riggs, who joined MWWPR as senior VP last May, is no longer with the independent firm.

The North Carolina native is now lead strategist at The Pemberton Collective located in the Charlotte area.

Hired to oversee MWWPR's internal/external brand marketing initiatives, Riggs also was to play a leadership role in building out the sports marketing group.

CEO Michael Kempner had praised him as "a world-class leader in helping global organizations develop and advance their brand in ways that support their bottom-line business goals."

Riggs, a 20-year communications veteran, did stints at Interpublic's Mullen Lowe ad agency, **Taylor and French|West|Vaughan**, handling clients such as ESPN, Coke, US Navy, RJ Reynolds, Ford Motor, Diageo, Polaris, Atlantic Coast Conference and Kimberly-Clark.

Just before joining MWWPR, Riggs was running his own consultancy, Human Truth IMC.



**Mark Riggs**

## **YOUNGER USERS FLEE FACEBOOK**

Facebook will lose about two million users under the age of 24 in 2018, according to **eMarketer estimates**.

The platform will end the year with around 5.8 percent fewer users ages 18 to 24 than it had at the end of 2017 and 5.6 percent fewer users aged 12 to 17 during the same period. Additionally, the number of U.S. Facebook users ages 11 and younger will decline by 9.3 percent.

It's the first time eMarketer has predicted a decline in the number of U.S. Facebook users belonging to those age groups. Also for the first time, fewer than half of U.S. Internet users between the ages of 12 and 17 will access Facebook this year from any device at least once per month, according to eMarketer's report.

Facebook's popularity among younger users has been waning for some time, and while Facebook-owned photo sharing site Instagram has been stealing much of that audience, the worst omen for Facebook to come out of eMarketer's report is the revelation that messaging app Snapchat now seems to be accounting for an increasing amount of Facebook's user diaspora.

While Instagram will add 1.6 million users ages 24 and younger by the end of the year (totaling nearly 105 million, up 13 percent from the beginning of 2017), eMarketer predicts that Snapchat will see nearly two million new users in that demographic during the same period, up to an estimated 86.5 million users.

Facebook remains the largest social media site, and is still adding users overall every month, but its gains now come largely from members belonging to older age groups. eMarketer predicts the number of total Facebook users in the U.S. will hit nearly 170 million this year, revealing gains of only one percent from 2017, and the pool of total social network users accessing Facebook will also continue to dip by the end of the year.



## BRANDS EXPECTED TO ACT ON SOCIAL ISSUES

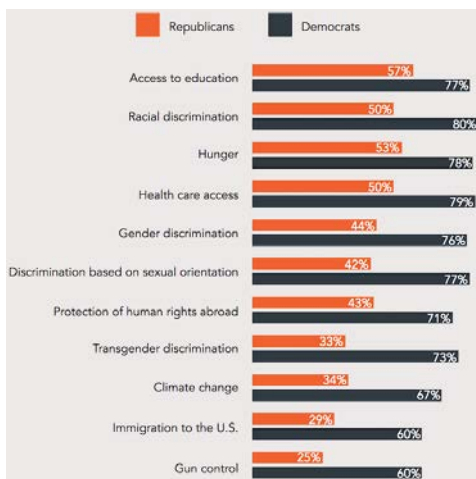
Consumers place high expectations on brands and their corporate leaders to take a lead in addressing the most pressing social, environmental and political challenges facing the world today. An overwhelming majority — 95 percent — of stakeholders now believe companies have the ability to shape a better society, and 88 percent believe businesses' resources and innovations offer vital solutions in solving some of society's greatest problems, according to a February corporate advocacy report from D.C.-based communication firm **APCO Worldwide**.

APCO's "**Five Acts of Corporate Advocacy**" report, which explored how corporate advocacy work influences consumers' opinions regarding corporate brands and their reputations, suggests that corporate governance has a clear role in today's divisive political and social climate. 90 percent of stakeholders polled said they expect brands to take a stand on issues affecting the world, with 93 percent stating the best companies are those that do good for their shareholders while also doing good for society. A similar majority — 89 percent — said they think companies should support social issues that are consistent with their business focus and expertise, and 71 percent claimed that it's acceptable for a company to take a stand on a political or social issue even when it's controversial.

The survey also found that whether consumers identify as Republican or Democrat offers a likely predictor regarding what role they feel is appropriate for companies and their CEOs to take on in the course of addressing a social issue.

On a whole, Republicans are more averse to the idea of companies and their CEOs stoking controversy: while 81 percent of Democrat respondents believe it's acceptable for companies to take a stand on a potentially controversial issue, only 56 percent of Republican respondents believe this; and while 65 percent of Democrats believe it's important for CEOs to voice strong political opinions, only 47 percent of Republicans agree.

The report found that while this disparity remained consistent across social issues, it increased markedly depending on the issue in question. For instance, while Democrats and Republicans revealed a 20 percent favorability divide regarding whether it was always okay



**Percentage of respondents who say that it's "always OK" for CEOs to speak out on certain issues.**

for CEOs to speak out on the issue of access to education (57 percent Republican vs. 77 percent Democrat) other issues, like gun control (60 percent Republican vs. 25 percent Democrat) and transgender discrimination (33 percent Republican vs. 73 percent Democrat) revealed far more polarizing battlegrounds.

When it comes to what a company can do to be a good steward to society, nearly a third of those polled (29 percent) cited good treatment of employees, followed by serving customer needs (21 percent), enacting environmentally friendly operations (15 percent) and ethical corporate governance (12 percent).

And as it turns out, money can't buy everything when it comes to corporate advocacy. More than three-quarters of all respondents (77 percent) said they actually have more admiration for a company when it uses its business interests and expertise to address a social issue, as opposed to a company that merely donates money to a worthwhile charity (23 percent).

Research for the "Five Acts of Corporate Advocacy" report consisted of a six-month effort conducted by the agency's global opinion research group APCO Insight. Focus groups in St Louis and Denver were polled during the summer of 2017, consisting of a sample of 1,000 U.S. stakeholders that were deemed "hyper-aware" and "influential," or members of the general public who both pay close attention to corporate practices and would be most likely to act on corporate behavior, be it through a tweet, boycott or support of a cause. An online survey among additional hyper-aware and influential consumers followed in late October.

## NYSAPLS NEEDS WEB DESIGN SERVICES

The New York State Association of Professional Land Surveyors has issued a request for proposal for agencies that can modernize its webpage and digital presence.

The Albany-based member association, which represents 75 percent of licensed land surveyors in NY, is also seeking an agency that can provide guidance that will advance the NYSAPLS' message.

Scope of the work includes performing discovery and assessment of existing communications and platforms; developing a plan for scope and scale of communication content and campaigns; and implementing campaigns.

Proposals will be evaluated on a criterion of qualifications and experience, approach to the work required, projected timeframe and cost. Successful proposals will include metrics.

NYSAPLS anticipates the work to begin in the summer and to include at least two campaigns per year with continual updates. Proposals should be based on a yearly budget of approximately \$30,000-\$80,000.

Proposals are due by Friday, March 9.

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

