



Kevin McCauley  
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  
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## **BRAND USA SEEKS GLOBAL PR PARTNER**

Brand USA unveiled an RFP to support its strategic global communications, media relations and PR priorities. Established by the Travel Promotion Act of 2009, BUSA contends that its marketing efforts during the past five years attracted 5.4M international visitors here, generating an economic impact of \$38.4B, which supported 51K jobs a year.



The RFP's objective is to attract a firm that will elevate BUSA's executives as global tourism thought leaders; build engagement, trust and advocacy; communicate travel policy and correct misconceptions and "enhance the credibility of the organization in its effectiveness to increase international visitation and spend."

Interested firms must submit a notice of intent to bid by Jan. 25 to [RFPadmin@TheBrandUSA.com](mailto:RFPadmin@TheBrandUSA.com).

Proposals are due Feb. 4.

An electronic version (PDF) goes to [RFPadmin@TheBrandUSA.com](mailto:RFPadmin@TheBrandUSA.com) while eight hard copies need to be delivered via FedEx or UPS to

Brand USA Headquarters  
C/O RFP Administrator  
1725 Eye Street NW, Suite 800  
Washington, DC 20006

ATTN: RFP – Strategic Communications, Media & Public Relations

## **IMAX'S SOMMERLATH SHIFTS TO MMC**

Ann Sommerlath, who was chief communications officer at IMAX reporting to CEO Richard Gelfond, has moved to Marina Maher Communications as head of its newly created corporate brand practice.

As managing director of corporate brand, Sommerlath will serve as senior counsel to Merck, Novartis, Johnson & Johnson and Aflac. She'll report to Marina Maher.

At IMAX, Sommerlath handled corporate reputation, new business, global expansion and thought leadership matters. Earlier, she was senior VP at Edelman and FleishmanHillard.



Ann Sommerlath

MMC also has added Chris Iafolla as group senior VP and head of its healthcare brand engagement unit. He joins from Syneos Health Communications, where he headed its digital & social strategy efforts. Previously, he was at W2O Group.

Omnicom owns MMC.

## **RR DONNELLEY ISSUES RFI FOR PR**

RR Donnelley is floating an RFI as the \$7B integrated communications company seeks to "rebuild its PR strategy."

Billing itself as a "leading global provider of multi-channel business communications services and marketing solutions," the company seeks expertise in brand analysis, media relations, spokesperson training and brand positioning, primarily in the US.



Responses to the RFI are due Jan. 28, though Donnelley wants interested firms to email their intent to pursue by Jan. 16. Those emails go to Tanya Lampiasi at [tanya.a.lampiasi@rrd.com](mailto:tanya.a.lampiasi@rrd.com). Donnelley will decide in February or March whether or not to issue an RFP.

## **FINN PARTNERS CATCHES CATCHON**

Finn Partners has continued its acquisition spree with a deal to acquire a majority stake in CatchOn, a Hong Kong travel & lifestyle shop with 30 staffers. The deal bolsters Finn's T&L group to more than 100 staffers.

Los Angeles native Cathy Feliciano-Chon, who moved to Hong Kong in 1997 and launched CatchOn, is now managing director of CatchOn, A Finn Partners Company. She joins Finn's Asia management group that is led by Allan Tan and Yin Ching Yeap in Singapore.

CatchOn, which has offices in Shanghai and Beijing, has worked for Marriott International, Grassroots Pantry, Wanda Hotels & Resorts, Mandarin Oriental, Nespresso, Old Bailey, Galleria Hong Kong, Pacific Coffee Co., Fairmont Hotels & Resorts and Jamie's Italian.

## **MSL'S MCLEAN MOVES TO MARKSTEIN**

Birmingham, AL-headquartered Markstein has named Sheila McLean to lead its new Washington, D.C. office as president, Mid Atlantic. McLean comes to Markstein from MSL, where she served as the North America social purpose and sustainability practice director and managing director of its Detroit office.

She has also led safety and environmental affairs at Chrysler Corp., served as a communications officer for the C.S. Mott Foundation and was a senior policy and external affairs advisor to Michigan Gov. John Engler.



Sheila McLean

In her new post, McLean will spearhead Markstein's expansion in the D.C. market to serve the firm's issues/crisis, public affairs and advocacy work.

## OMAN LOOKS FOR LOGISTICS PR

The Sultanate of Oman, which is in the process of consolidating its government-owned companies, is looking for a PR firm to represent its logistics holdings.



The Oman Global Logistics Group includes three ports, three free zones, economic development unit, shipping line, dry dock management, post office, bus company and railroad, according to its tender document.

Oman sees an opportunity to position itself as a global trade hub due to its location midway between Asia and Europe, along with robust connections to Iran, Indian Subcontinent and East Africa.

It is looking for a firm with regional and global media contacts and experience in the logistics, shipping and/or investment and financial sectors.

Submissions are due Jan. 24.

Firms interested in Tender #C-001-19 are required to register at [https://etendering.tenderboard.gov.om/product/publicDash?CTRL\\_STRDIRECTION=LTR](https://etendering.tenderboard.gov.om/product/publicDash?CTRL_STRDIRECTION=LTR)

[Download Invitation to Tender \(PDF\)](#)

## GLADSTONE BACKS CHALLENGE TO NYSE

Gladstone Place Partners handled the launch of the Members Exchange or MEMX, which is envisioned as a low-cost stock exchange designed to challenge the New York Stock Exchange and NASDAQ.

Financial heavyweights Fidelity Investments, Morgan Stanley, Charles Schwab, Bank of America Merrill Lynch, UBS and TD Ameritrade back MEMX, which they believe will lower cost, simplify trading and increase operational transparency.

The *Wall Street Journal* noted Jan. 7 that Wall Street brokers and traders have been frustrated for years about the high fees charged by the US stock exchanges.

MEMX will file an application with the Securities and Exchange Commission during the first-quarter for approval to operate a national securities exchange.

GPP's Patricia Figueroa and Max Dutcher represent MEMX.

## HILL VETERAN HILL SHIFTS TO FTI

Frederick Hill, who led media outreach for the Senate's Committee on Commerce, Science and Transportation and its chairman Republican John Thune (SD), has joined FTI Consulting's strategic communications unit as managing director in Washington.

The 17-year veteran of Capitol Hill dealt with Committee issues regarding consumer safety, Internet regulation, Federal Aviation Administration reauthorization and space policy.

Hill also served as spokesperson for former California Republican Congressman Darrell Issa, who chaired the House Oversight and Re-



**Frederick Hill**

form Committee.

He reports to FTI's Jackson Dunn, who leads the firm's Americas PA/government relations practice.

## QORVIS WORKS WITH FOOD RESCUE HERO

Qorvis Communications is working with nonprofit Food Rescue Hero on its push to distribute surplus food in cities where people are hungry.

Launched in Pittsburgh a year ago, FRH uses an app that supermarkets and wholesalers can use to distribute unsold food to community groups and soup kitchens.

In Pittsburgh, the app was downloaded by more than 9K people, which allowed 1,700 volunteers to rescue five million pounds of food to feed those in need.

FRH founder/CEO Leah Lizarondo estimates that 40 percent of food in the US goes to waste. "Surplus food at retail and wholesale grocers is an extraordinary opportunity to radically change the way we approach hunger and measurably impact one of our most wicked problems," said Lizarondo in a statement.

Qorvis will promote FRH's program as it expands into Cleveland, Philadelphia and San Francisco as part of its "20 Cities by 2020" campaign.

Publicis Groupe owns Qorvis.



## NEWS OF FIRMS

**GCI Health** has expanded into the Asia-Pacific region with the opening of an office in Singapore. Rikki Jones, who has served as managing director of GCI Health's European headquarters since 2013, will now be Managing Director, Asia-Pacific, relocating from London to Singapore. Kath Kerry will take on leadership responsibilities in the U.K. The focus of the Singapore office will be on four primary service areas: life sciences, market access communications, strategic consulting and consumer wellness. "With Asian healthcare systems and markets rapidly evolving, the need for specialist agency expertise does too," said Wendy Lund, CEO.

**ICR** is launching a cannabis track at this year's ICR Conference at the Grand Lakes Resort in Orlando, FL.

Both private and public cannabis companies will be presenting at the event. Participants include Acreage Holdings,

Green Thumb Industries and MedMen. In addition, there are two panels on issues facing the cannabis industry at the conference: "Cannabis Investing: Capitalizing on a New Global Asset Class" and "Emerging Cannabis Panel: Private Cannabis Companies Poised for Growth in 2019." For more information go to <http://www.icrconference.com>.

The BMF Media Group is celebrating its 15th anniversary with a rebrand to **BMF**. In addition to the new name, the agency will have a new logo and tagline, which will be carried throughout its revamped website, social media channels, and collateral. The agency has also opened up shop in London, joining its existing offices in New York City, Los Angeles, Austin and Miami. In the past year, BMF has also acquired boutique lifestyle public relations firm LFB Media Group and created a research and analytics division.





## **NEW YEAR, NEW PR GAME**

It's a new year, which means nearly every brand in the country will be leveraging some variation of the "New Year, New You" theme for earned editorial, viral buzz and increased awareness.



**Tara Reid**

However, while brands are busy trying to capitalize on a popular topic to get a burst of impressions in an increasingly crowded space, they should focus on following their own advice and using the new year to take stock of their place in the market.

While only about 40 percent of Americans make a New Year's resolution each year, according to the Marist Institute for Public Opinion, research shows making resolutions is one of the best ways to facilitate change and turn goals into action. So, consider making at least one of these six resolutions this year to help your brand live the "New Year, New You" mantra:

**Assess your marketing priorities.** Before developing and executing a PR plan, be sure to determine your brand's goals. If it's a newer brand, the focus of your program may remain the same: building awareness, establishing credibility or forging a connection with your target consumer. If it's an established brand or one that needs a jumpstart, objectives may have shifted.

**Analyze your target audience.** You can't be everything to everyone. But as a brand, you must be something to the right one, meaning, the right audience. Analyzing your audience is a key next step for success in the new year. First, it would be worthwhile to dig into the latest research and insights to see if or how your current audience has changed. Then, ask yourself if the current audience is still a fit based on where your brand is today. Once you work this out, you'll be able to craft a narrative that is most meaningful to your target audience.

**Evaluate your brand positioning and narrative.** Storytelling is the foundation of every PR program, and every brand has a story to tell. But brands evolve as a natural consequence of a fluctuating marketplace as well as industry change. Take an honest look at your brand narrative. See if it's resonating with and influencing your target audience. Now is the time to ensure how you speak about your brand and how your brand comes to life align.

**Just say no.** This year, feel empowered to say no. Say no to the same thing just because it worked last time. Say no to safe, because brave is a little scary. Say no to complacency, because something is better than nothing if you fail. Instead, try thinking differently and even taking a few risks, which is essential for brand growth.

**Embrace the PESO model.** Everyone talks about the changing PR landscape, but what does that really mean? It means gone are the days of public relations plans consisting of only earned editorial efforts measured by the number of impressions they yield. People consume their news in different ways, so a brand's narrative must be shared in different ways. This year, activate against a more holistic communications plan consisting of paid, earned, shared and owned opportunities.

**Take a stand.** Brands are more transparent than

ever, and that transparency has evolved into activism. Last year, influential brands like Nike and Levi Strauss & Co. took a stand for what was perceived by many as a controversial cause. Nike backed former San Francisco 49ers quarterback Colin Kaepernick, who has been criticized by many for taking a knee in protest during the National Anthem, while Levi Strauss went public about its support for gun control. While this resolution is the boldest of the bunch, inserting your brand into select conversations when it makes sense can elevate it.

Before preparing another "New Year, New You" campaign just because it's the thing to do, consider taking a different approach to win the hearts and wallets of your brand's audience in 2019. And make this year the first you actually stick to your resolutions.

*Tara Reid is vice president of Havas Formula's Chicago division.*

## **CSR TRUMPS PRICE WITH CONSUMERS**

Consumers are aware of how their purchasing decisions impact the world, and the public's perception of brands are determined largely by their commitment to social causes they believe in. In fact, according to a new report from Washington, D.C.-based research and consulting firm Clutch, the social stances a company takes now influence buying decisions more than price.

The Clutch survey found that environmentally-friendly business practices now take far more precedence among consumers as an important attribute (71 percent) for companies to have than price (44 percent).

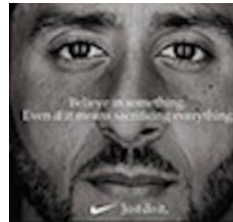
A company's commitment to social responsibility and giving back to the local community also ranked as more important business attributes than price (both 68 percent).

Altogether, 71 percent of consumers polled said it's important for businesses to take a stance on social causes. Three-quarters of respondents (75 percent) said they're more inclined to begin shopping at a company that supports an issue they agree with, while more than half (59 percent) said they're likely to stop purchasing from a company that supports an issue with which they disagree.

Not surprisingly, younger consumers are more likely to expect businesses' values to align with their own. 70 percent of respondents who identified as members of Gen X and 54 percent of those identifying as Millennials said they're likely to stop shopping at a company that supports an issue with which they disagree, compared to only 37 percent of Baby Boomers who said the same.

Finally, the study confirmed that many consumers remain skeptical of companies' support of social causes. Nearly a third (29 percent) said they think businesses simply engage in CSR to earn money, though nearly the same number (28 percent) said they think businesses genuinely care about the issues they claim to support.

Clutch's "2019 PR and Corporate Social Responsibility Survey" polled more than 400 U.S. adults who reported making a purchase within the last five months. The survey was conducted in 2018's fourth quarter by brand intelligence research company Survata.



## **REEVE MARK BACKS BID FOR GANNETT**

Reeve Mark, the strategic advisory firm launched last year by Sard Verbinnen & Co. veterans, is backing the takeover bid for Gannett, publisher of USA Today.

Digital First Media, which owns and operates over 200 newspapers, including the *Denver Post*, *Boston Herald* and *Los Angeles Daily News*, has already acquired a 7.5 percent stake in Gannett.

Also known as MNG Enterprises, DFM proposes to buy Gannett for \$12 per share, a 23 percent premium over the Jan. 11 closing price of \$9.75.

In a letter from DFM to Gannett's board, the company claims Gannett "has not demonstrated that it's capable of effectively running this enterprise as a public company." It notes that "Gannett has lost 41 percent of its value since it debuted as a public company two and a half years ago."

Gannett has confirmed receiving the DFM bid and plans to carefully review it. It is using Joele Frank, Wilkinson Brimmer Katcher's Ed Trissel, Nick Lamplough and Tim Ragonas for representation.

DFM relies on Reeve Mark's Paul Caminiti, Hugh Burns and Renee Soto.

## **MCALPIN RETURNS TO LEVICK**

LEVICK is bringing Derede McAlpin back to the firm to lead its litigation communications practice.

McAlpin rejoins LEVICK, where she served as a vice president from 2005 to 2012, from the Association of Corporate Counsel. At ACC, which serves the interests of more than 45,000 in-house lawyers, McAlpin was vice president and chief communications officer.

She has also worked as a strategic counselor for corporate clients and public officials, working on such projects as handling communications for the first full-face transplant recipient in the U.S. and managing crisis issues following data breaches and scandals. Her experience also includes working in the media relations department of Howard University and serving as a judicial law clerk for the Superior Court of the District of Columbia.



**Derede McAlpin**

## **NY WINE FOUNDATION UNCORKS PR RFP**

The New York Wine & Grape Foundation has issued a PR RFP to promote the "world class" image of its products from diverse regions of the Empire State.

The effort will target winery, grower, business and consumer members; industry leaders/influencers; consumers/wine enthusiasts; and elected officials/agricultural leaders. The Foundation's 2019 initiatives include a re-branding project, international trade show participation and launch of a New York wine tourism initiative.

The selected firm will forge relationships with industry personalities, pitch media and draft press releases.

Budget for the work is \$25K to \$30K.

Deadline to respond to the RFP is Jan. 18. Responses go to [rfp@nywgf.org](mailto:rfp@nywgf.org).

The Foundation has posted the RFP on its [website](#).

## **MEDIA MANEUVERS**

CBS has chosen longtime "48 Hours" producer **Susan Zirinsky** to take over the helm at its news division. Zirinsky will become president of CBS News March 1, succeeding David Rhodes. Zirinsky comes in as CBS faces a steep ratings slide for its evening newscast, "Face the Nation" and "CBS This Morning," which saw a double-digit drop in viewership after the departure of Charlie Rose. She will be tasked with finding a new executive producer for "CBS This Morning" as well as filling the top spot at "60 Minutes," which is currently being run on an interim basis by Bill Owens following the September firing of Jeff Fager. In a statement, Zirinsky said restoring the division's morale is also a priority.



**Susan Zirinsky**

**The Dallas Morning News** axed 43 employees on Jan. 7, including about 20 writers, editors, photographers and newsroom support personnel. The staff reduction represents about four percent of the 978 employees at the paper's parent company, A. H. Belo Corporation. The company says the cuts were a necessary move as it prepares to make greater investments in its digital products. Through the first three quarters of 2018, revenue for the Morning News dipped 18.9 percent to \$149.77 million, from \$184.55 million in the same period for 2017.

**NBCUniversal** plans to cut the number of ads in its primetime programming 20 percent by 2020. It already trimmed 10 percent from ad schedules for the 2018-19 season. NBCU plans to make up for the lower ad inventory by providing formats and technologies it claims will add value to commercials that still run. One option is what it calls "prime pods," 60-second spots of national ad time airing near the start or end of a program. Another is a new technology meant to help advertisers align their messages with specific moments from programs.

**New Fox**, a subsidiary of 21st Century Fox, is calling off plans to bid for the 22 Fox regional sports networks that Disney needs to divest due to its acquisition of several 21st Century Fox assets. Regulators told Disney that it could not own both ESPN and those networks. According to FOX Business, both Sinclair Broadcasting and rapper Ice Cube are still interesting in acquiring the properties, which analysts have said could come with a price tag of around \$20 billion.

**CBS News** is reportedly in talks with former Sen. Jeff Flake (R-AZ) about taking on a role at the network. According to the *Hollywood Reporter*, Flake, a prominent critic of the president, was seen Jan. 4 at CBS headquarters in Manhattan. The Reporter said that CBS declined to comment on the situation. If Flake winds up at CBS, it will go against the guess of president Trump. "Jeff Flake is now selling real estate, or whatever he's doing," Trump said at a Jan. 2 cabinet meeting. "He'll probably go to work for CNN. That's my prediction."



**Jeff Flake**



## **PR FIRMS AND ATTORNEY-CLIENT PRIVILEGE**

When a company or an individual is faced with a crisis, such as a scandal, a government investigation or criminal charges, the first call is likely to be to the lawyers, and the next call, either from the lawyers or the company/individual, could be to a public relations firm. However, will communications between the client or the attorneys and the PR firm be protected as confidential by the attorney-client privilege?



**Andrew  
Goldstein**

In the recent California case of *Stardock Systems Inc. v. Ford et al* (11-30-2018), the plaintiff, Stardock, sued the defendants for infringing its intellectual property for its videogame. The defendants claimed that the plaintiff engaged in a PR war against them, consisting of hundreds of posts to online forums and social media platforms which “blatantly misrepresented the facts and seek to sway public opinion in favor of Stardock and its game

while casting a shadow over the defendants and their game thereby forcing them to settle this case.” In response, attorneys for the defendants retained Singer Associates Public Relations to provide communications and PR counseling. The plaintiff alleged that defendants engaged Singer to “orchestrate a social and other media assault on Stardock and in particular its CEO in an effort to influence public opinion and turn it against Stardock by engaging in inflammatory postings and representations that appear to be related to the litigation.” Stardock issued a subpoena to the defendants asking for all documents relating to communications between Singer and defendants.

The court held that communications between defendant and Singer were protected by the attorney-client privilege because the defendants’ counsel, not the defendants themselves, hired the PR firm to provide PR counseling specifically for the purposes of litigation strategy in the pending case. The court noted that the communications with Singer related to the defendants’ counsel’s litigation strategy in dealing with the current lawsuit, and included legal advice in responding to the lawsuit and launching a public or social media-based campaign to favor the defendants in terms of their perception in the current case.

Recent cases from California and New York reached a different result. A California case, *Behunin v. Superior Court* (2017), involved a dispute over a real estate investment brought by the plaintiff against Charles Schwab and his son, Michael. A PR firm was engaged by the plaintiff’s lawyers to set up a website with information linking the Schwabs with former Indonesian dictator Suharto and their connections to corruption and other criminal activities. In a subsequent defamation suit against Behunin, the Schwabs demanded communications between the plaintiff, his counsel and the PR firm. Here, the court refused to apply the attorney-client privilege because the plaintiff failed to establish how a website created by a PR firm as part of an overall social media campaign aimed at inducing settlement was reasonably necessary to the plaintiff’s litigation strategy. The court found that the plaintiff’s counsel wasn’t involved with creating the website and

was basically just a liaison in hiring the PR firm.

Similarly, in *Gottwald v. Sebert* (2017), a New York court refused to apply the attorney-client privilege to communications between singer/songwriter Kesha, her lawyers and a PR firm hired by the lawyers, where the PR firm’s involvement was “primarily for the purpose of advancing a public relations strategy.” The court here distinguished between communications focused on the effects of litigation—such as influencing the public for settlement purposes, which constitute ordinary PR strategies—and communications that are necessary to obtain legal advice. The court found the focus of the communications was to ensure that developments in the case were being given their desired media spin and were “not coordination to facilitate legal advice.”

All of these cases relied on the opinion in a New York case, *In re Grand Jury Subpoenas* Dated Mar. 24, 2003. This case involved the target of a high-profile federal grand jury investigation who hired a PR firm based on fears that “unbalanced and often inaccurate press reports about Target created a clear risk that the prosecutors and regulators conducting the various investigations would feel public pressure to bring some kind of charge.” The court protected the communications with the PR firm under the attorney-client privilege and established the test that “(1) confidential communications (2) between lawyers and public relations consultants (3) hired by the lawyers to assist them in dealing with the media in cases such as this (4) that are made for the purpose of giving or receiving advice (5) directed at handling the client’s legal problems are protected by the attorney-client privilege.”

It’s difficult to predict whether a court will protect communications between a client and/or its lawyers and a PR firm. But there are steps you can take toward ensuring such communications are shielded from discovery:

- 1) The PR firm should be hired by the attorneys, not the client, and the attorneys should manage the relationship with the PR firm.
- 2) Consider engaging a special PR firm to handle the case, rather than the client’s general PR firm.
- 3) The PR firm should have a written agreement with the attorneys specifying exactly the services it will provide, emphasizing the facilitating of legal strategy.
- 4) The client should talk only with the PR firm when the lawyers are present.
- 5) The attorneys should be actively involved with the PR firm and its activities, rather than letting the PR firm operate independently.
- 6) The attorneys should try to ensure that the PR work focuses on the litigation, i.e., trying to influence the relevant decision-makers, rather than simply trying to influence public opinion or compelling the other side towards settlement.

Of course, nothing can guarantee that communications between a PR firm and its client or attorneys will be shielded by the attorney-client privilege, but following these steps will help to protect the communications.

*Andrew Goldstein is a Partner with Freeborn & Peters LLP in the Corporate Practice Group and a member of the Emerging Technologies Industry Team. He can be reached at [agoldstein@freeborn.com](mailto:agoldstein@freeborn.com).*

## **SENIORS MOST LIKELY TO SHARE FAKE NEWS**

Older Americans, particularly those over the age of 65, were far more likely to share links to fake news articles on Facebook during the 2016 U.S. Presidential election than any other age group, according to a new study conducted jointly by researchers at Princeton University's Woodrow Wilson School of Public and Interna-



tional Affairs and New York University's Social Media and Political Participation Lab.

The study, which examined the individual demographics associated with fake news stories shared during the 2016 election, found that Facebook users over 65 were more than twice as

likely as those in the second-oldest age group (45 to 65 years old) to share links to phony news domains, sharing an average of 0.75 fake articles compared to 0.26 fake articles shared by those ages 45-65. Compared to the youngest age group surveyed (Facebook users ages 18-29), those over 65 were, on average, nearly seven times more likely to share fake news content.

According to the study, older Facebook users were consistently more likely to share phony news stories, even when controlling for factors such as education, ideology and partisanship. "No other demographic characteristic seems to have a consistent effect on sharing fake news, making our age finding that much more notable," the study said in its report.

"These findings pose a challenge and an opportunity for social scientists," the report concluded. "When an empirical relationship such as the one documented here emerges, we are challenged to view demographic traits not as controls to be ignored but as central explanatory factors above and beyond the constructs standard in the literature. This is especially the case with age, as the largest generation in America enters retirement at a time of sweeping demographic and technological change."

It goes on to posit that "it is possible that an entire cohort of Americans, now in their 60s and beyond, lacks the level of digital media literacy necessary to reliably determine the trustworthiness of news encountered online."

The study also discovered that those identifying as conservatives — particularly those identifying as "very conservative" — were far more likely to share fake content than liberals or moderates. On average, 18 percent of Republicans during the 2016 campaign shared links to fake sites, the overwhelming majority of which held a pro-Trump slant, compared to only 3.5 percent of those identifying as Democrats. Self-described independents shared about as much fake news as Republicans.

Finally, the practice of sharing fake news content appears to remain a relatively rare phenomenon. The study discovered that only 8.5 percent of respondents shared at least one fake link on their Facebook feeds. Moreover, respondents who generally shared the most links overall were less likely to share fake news content, dispelling the notion that fake news sharing is a phenomenon that occurs as a result of some respondents' habit to "share anything."

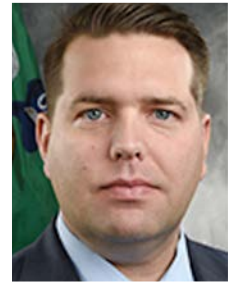
The Princeton/NYU report, which was published this week in open-access scientific journal *Science Advances*, polled 3,500 respondents in 2016 through a survey fielded by online market research firm YouGov. More than a third of those surveyed (1,331) agreed to allow access to their private Facebook profile data for the purpose of discovering what kind of content they shared. The links users posted to external websites were then cross-referenced against several lists of fake news domains, including a list of the most-shared fake sites used during the 2016 election campaign, assembled by BuzzFeed News.

## **TREASURY'S BALLMAN HEADS TO CHARTWELL**

Luke Ballman, who served as deputy assistant secretary for legislative affairs at the Treasury Dept. during the Obama and Trump administrations, has joined Chartwell Strategy Group as senior VP.

At Treasury, he worked on a range of issues including anti-money laundering, Bank Secrecy Act, Committee for Foreign Investment in the US proceedings and sanctions reviews.

Earlier, Ballman served on the staffs of Democrats Sen. Mark Dayton (MN) and Congressman Rob Andrews (NJ).



**Luke Ballman**

## **PEOPLE ON THE MOVE**

**Dix & Eaton** has promoted **Amy McGahan** from senior VP to managing director. McGahan, who joined the firm in 1997, is a member of the firm's leadership committee. Prior to joining D&E, she was associate director of community relations for the Cleveland Hearing & Speech Center and PR associate for the Eliza Jennings Group. At D&E, she counsels clients on national, international and regional media relations strategy and execution as well as coaching senior executives on improving presentation styles and preparing for media interviews. In her new position, she will take on expanded responsibilities in business development, stewarding firm leadership priorities and mentoring others.

**Sachs Media Group** has hired former Golin executive director **Katherine Maiorana** as senior VP of business development and strategy. In her new role, Maiorana will lead RFP and pitch management, development of strategic new business plans, client prospecting, and creating and implementing business processes. In addition to her business development responsibilities, Maiorana will manage several key client accounts and work with CEO Ron Sachs on strategic initiatives for the firm. She will report to Michelle Ubben, partner and SMG's president.

**Reputation Partners** has hired **Laurie Cairns** as an executive VP and Chicago general manager. Cairns comes to the firm from Chicago-based Blast! Marketing & PR, where she was managing partner. Before coming to Blast!, Cairns led her own agency, LEC, for nearly three decades and also served as interim CMO for Aspect Software, a global technology company.



## **IN 2018, CRISES DOMINATED COMMUNICATIONS**

Crisis communications' watershed year began in 2017, with two powerful and divisive men — one in the east coast power seat in the White House and another in the west coast power seat at Miramax — spurring one controversy after another. In 2018, this trend morphed into a cultural phenomenon that appears here to stay.

Consumers, employees, investors, journalists, analysts and other stakeholders are expecting brands to take a stand on societal and political issues ranging from #MeToo and gun violence to immigration and climate change.



**Matt Purdue**

For many communications pros, this may require a new way of assessing, executing and measuring the effectiveness of crisis communications. To remind us of how disruptive 2018 has been for professional communica-

tors, we looked back at the most significant societal/political issues to impact organizations in the past year:

**1. Nike features Colin Kaepernick in “Just Do It” 30th anniversary campaign (September):** Negative reaction was predictably swift: people burned Nike products, a college cut ties with the company and President Trump chimed in with a negative tweet.

*Outcome:* In just three days, Nike products began to fly off shelves, leading to a 31 percent increase in sales.

**2. Dick’s Sporting Goods curtails gun sales after Parkland massacre (February):** After the horrific shooting, Dick’s decided to stop selling assault-style rifles and raise the minimum age for gun purchases to 21.

*Outcome:* Mixed. Dick’s initially reported stronger-than-expected sales that lifted its stock as much as 27 percent. But in the third quarter, sales fell 3.9 percent, with the CFO reporting that weak gun sales impacted products like outdoor equipment because fewer hunters now patronize Dick’s. The company also said roughly 60 employees — out of about 40,000 — quit over the decision.

**3. Trump climate report denial spurs Patagonia donation (November):** President Trump denied the dire socio-economic findings of his own government’s National Climate Assessment Report.

*Outcome:* In addition to suing the Administration over public-land issues, Patagonia announced it would donate \$10 million it saved in “last year’s irresponsible tax cut” (Patagonia’s words) to environmental programs.

**4. CBS chief Les Moonves resigns amid sexual misconduct charges (September):** Six women came forward to accuse the powerful CBS honcho of sexual harassment. Others said Moonves created a culture that tolerated sexual misconduct.

*Outcome:* The CBS board forced Moonves to resign, and CBS stock has significantly underperformed the broader market since this summer.

**5. Corporate coalition opposes Trump gender definition plan (October):** The Trump Administration

released a proposal to change the legal definition of gender to remove any mention of the word “transgender.”

*Outcome:* A coalition of 56 companies including Coca-Cola, Apple, Amazon, Chase and Dow Chemical signed an open letter condemning the proposal.

**6. Khashoggi killing prompts backlash against Saudi Arabia: (October):** *Washington Post* columnist Jamal Khashoggi was murdered inside the Saudi Arabian consulate in Istanbul, with U.S. intelligence indicating the Saudi crown prince ordered the hit.

*Outcome:* Executives from a long list of companies pulled out of Saudi Arabia’s “Davos in the Desert” conference in protest.

**7. Major brands cut ties with the National Rifle Association (February):** In one of the year’s most tone-deaf moves, the NRA immediately went on the defensive after the Parkland tragedy.

*Outcome:* Major national brands raced to end their associations with the group.

**8. Papa John’s founder resigns after racial slur (July):** Recordings of a conference call with an advertising firm revealed founder John Schnatter using the n-word.

*Outcome:* One year after removing Schnatter as CEO for his criticism of the NFL over player protests, the Papa John’s board voted to slice him out of the company.

**9. Networks pull racially charged ad (November):** In the run-up to the mid-term elections, the Trump campaign sponsored an anti-immigration ad that interspersed images of the migrant caravan with those of an illegal immigrant cop-killer’s courtroom outburst.

*Outcome:* CNN refused to run the ad, while NBC and Fox pulled it after an audience backlash.

**10. Google’s internal “Dragonfly” rift goes public (December):** The tech giant is creating a search engine (aka “Project Dragonfly”) that makes controversial concessions to China’s Internet censorship regime.

*Outcome:* 600-plus Google employees signed a letter opposing the project that was posted on the public Medium platform. Meanwhile, nearly 400 staffers signed a thus-far private letter supporting the project.

For communications pros, this list should serve as concrete evidence that public relations is operating under revised rules. Brands of all stripes must determine where they stand on the issues that are most important to their stakeholders and craft repeatable, measurable processes for determining if, when and how they should communicate their POV with various stakeholders.

The paradigm has shifted, and the best communications pros will shift with it to become even more relevant to their organizations and clients.

*Matt Purdue is senior vice president of Content Strategy at Peppercomm. Steve Goodwin is principal and chief brand architect at BrandFoundations.*



**Steve Goodwin**