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O'Dwyer's Newsletter

The Inside News of
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LEWIS ACQUIRES DAVIES MURPHY

San Francisco-based Lewis PR has acquired Davies Murphy Group of Boston to bolster its East Coast presence and create a \$45M global firm.

Eric Davies and Andy Murphy will continue to lead the 65-staffer firm, which also has offices in the U.K. and Germany. Davies said the deal "makes a tremendous amount of sense" for both firms, adding that the combine creates a "truly global agency" for tech PR and marketing services.

Lewis CEO Chris Lewis added: "There can be no clearer statement of our global ambitions than this deal with DMG."

DMG had tech PR revenues of nearly \$9M in 2012.

Lewis, which acquired Leads United of Belgium in 2009 and Bay Area social media shop One PR in 2010, said the acquisition brings its U.S. revenues to \$20M and \$45M globally. Lewis' travel division heads completed a buyout from the firm in June 2011 as the firm pledged to focus more on consumer and tech work.



WCG TAPS B-M, EDELMAN PRO PRESIDENT

WCG, the health-oriented flagship of W20 Group, has named Chris Deri, Burson-Marsteller and Edelman veteran, president.

He was recently CEO and market leader of B-M's Mainland China group of five offices.

Deri spent a decade at Edelman, where he led the No. 1 independent firm's corporate social responsibility and sustainability practice of 110 staffers in 15 offices. He has counseled multinationals such as General Electric, Korea's Samsung and China's Huawei along with the World Business Council for Sustainable Development and the Government of Abu Dhabi.

Deri is based in the New York outpost of San Francisco-headquartered WCG. He reports to W20 president Bob Pearson, alum of GCI Group (Americas president), Novartis (global PR chief) and Dell (VP-communities & conversations).

Jim Weiss, WCG founder and W20 CEO, told O'Dwyer's he expects Deri to open new doors for the firm.

W20 is the No. 4 firm ranked by O'Dwyer's, posting \$62M in 2012 fees.



Deri

LOCKHEED INSTALLS NEW PR LEADERS

Lockheed Martin, the \$47B defense contractor hit hard by the federal budget sequester, has filled the slot of a retiring communications exec and made an outside hire for another PR post.

Jessica Nielsen, who led global communications for Dell's IT services business, has moved to Lockheed as VP of communications for its information systems and global solutions division, a unit hit by voluntary layoffs in March. The VP post had been vacant for several months, according to a company spokeswoman.

Lockheed, which is facing an \$825M hit from the sequester and offered buyouts to employees earlier this year, also promoted Andrea Greenan to VP of comms. for its space systems business to replace the retiring 35-year vet Jan Wrather. Both report to VP, corporate comms., Jennifer Whitlow.

Based in Bethesda, Md., Nielsen oversees PR for an IT unit of the defense contractor with \$9B in sales. She was previously with BAE Systems (dir., media relations), CropLife America (external comms. lead), General Dynamics (sr. mgr., mktg. & PR), Oracle and Ruder Finn.

Lockheed had 2012 sales of \$47.2B. Marillyn Hewson took the reins as CEO in January.

Gordon Johndroe, a Bush White House PR staffer, joined Lockheed as VP of media relations and international comms. last month from APCO Worldwide.

VERIZON PR CHIEF HANGS IT UP

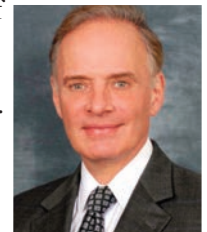
Peter Thonis, chief communications officer for telecom giant Verizon, will retire in July after more than eight years in the top post.

Thonis was VP of external communications for GTE in 2000 when the company merged with Bell Atlantic to create Verizon. He joined GTE when he was VP/comms. for BBN, which was acquired by GTE in 1997.

Bob Varettoni, executive director of corporate communications for Verizon, told O'Dwyer's that Thonis' replacement would be announced at a later date.

Verizon was thrust to the center of controversy late last week after the *Guardian* reported on a National Security Agency surveillance program collecting phone records of Americans from the company. Ed McFadden, VP for policy comms. at Verizon in Washington, has declined to comment on the *Guardian* report.

Thonis was with IBM for 14 years in several posts, including director of worldwide PR for its PC business.



Thonis

CHINA PURSUIT OF AIG HAS U.S. PR HELP

The Chinese group pursuing a deal worth up to \$4.8B to acquire AIG's aircraft leasing unit is leaning on U.S. PR counsel as the acquisition faces scrutiny by U.S. regulators.

A group led by New China Trust announced the deal for International Lease Finance Corp. in December, then the largest acquisition of an American company by a Chinese entity.



The *New York Times* reported at the time that the Chinese government wanted to show its seriousness in pursuing investments outside China so it chose NCT chair Weng Xianding to front the deal.

The Chinese buyers have engaged Brunswick Group for PR support of the deal in the U.S. and China (Hong Kong and Shanghai).

AIG, which was bailed out by taxpayers during the financial crisis, returned to the lobbying scene in January, retaining Patton Boggs to help clear regulatory approval of the ILFC deal.

ILFC made a 10% deposit on the acquisition last week in an escrow account, although it came a week after it was scheduled.

Reuters reported the move indicates the Committee on Foreign Investment in the U.S., which is screening the transaction, has decided the deal poses no threat to national security.

B-M LAUNCHES INDY CONTRACTOR GROUP

Burson-Marsteller's Proof Integrated Communications unit is supporting the launch of "It's My Business," a coalition of independent contractors that wants to "give a voice to the 10.3M people who have chosen to be their own bosses and build their own business," according to its CEO Blanche Lincoln.

The former Arkansas Senator (D) lost a re-election bid to John Boozman in 2010.



Lincoln told *Politico* the Obama administration's Labor Dept. and Internal Revenue Service, along with state governments, are moving to burden independent contractors with misguided and unnecessary regulations.

Her group wants to promote the rights of individuals to "pursue a business model that creates jobs and keeps America competitive."

Coalition members include FedEx, California Small Business Action Committee, Cool Cat Creative, New Jersey Concrete & Aggregate Assn. Paling and Sons Trucking and Simply Sweet Weddings.

PIC has developed ads carrying taglines such as "Don't Let Washington Outlaw Independent Contractors" to support the coalition's launch.

In a Huffington Post op-ed on June 3, Lincoln urged readers to "get engaged and take a stand" by "tell[ing] your elected state and federal bureaucrats to stop their attacks on independent contractors."

EDELMAN TAPS EX-GOP OPERATIVE PA CHIEF

Katie Burke, a former communications advisor to Rudy Giuliani and Arnold Schwarzenegger, has been named PA chair at Edelman.

She takes over for Rob Rehg, who will remain head of Edelman's \$58M Washington office.

Burke had been serving as Edelman chief of staff, advising top management of Western Union, McGraw Hill Financial and Nielsen.

Prior to joining Edelman in 2008, Burke was chief spokesperson for Giuliani's presidential campaign and communications director for Schwarzenegger's re-election as governor of California.

Burke did a stint in the White House as director of TV news during the second term of George W. Bush.



Burke

HEALTH VETERAN BOWEN JOINS H+K

David Bowen, CEO of non-profit Malaria No More, has joined Hill+Knowlton Strategies to head its global healthcare unit. He reports to Vivian Lines, vice chairman and chief of global practices.

Daniel McIntyre, H+K/s worldwide health director, left the firm in 2011 to move in-house at Biogen Idec.

Bowen had been deputy director of global health and policy at the Bill & Melinda Gates Foundation.

Earlier, he championed Obamacare through the Senate as staff director for health at Ted Kennedy's Committee on Health, Education, Labor and Pensions.

Jack Martin, CEO of H+K, praised Bowen's "international pedigree and tremendous reputation throughout the healthcare world." Bowen begins July 1.

BOSTON, PHILLY SHOPS COMBINE

Boston-based ad agency allen & gerritsen has acquired Neiman of Philadelphia to create a 200-staffer operation under the A&G name.

Neiman chief Tim Reeves, a former reporter and communications director/press secretary for Pennsylvania Gov. Tom Ridge, will head a&g's PR and executive consulting units, becoming a shareholder and board member of the combined firm.

He called both firms "fiercely independent," noting the merger idea came out of a meeting of the 4A's in May 2012.

Andrew Graff, CEO of a&g, continues in that title. He praised independent firms for their "agility and entrepreneurial zeal," and said the deal gives the combined agency the scale needed to innovate and expand.

Neiman was founded in 1980 in Harrisburg and counts the Commonwealth of Pennsylvania, Comcast, Temple University, Insight Pharmaceuticals and Sonoco among its clients. It has 55 staffers.

The firms say the combined entity is one of the largest 20 independent agencies in the country.

Weir Financial Services advised the firms on the deal. Financial details were not disclosed.



Burke

RAIDERS AX PR CHIEF AFTER SI FEATURE

The Oakland Raiders, an iconic National Football League franchise with a storied past and rocky present, have fired PR chief Zak Gilbert after a year. The *San Francisco Chronicle* first reported the move, noting owner Mark Davis' ire over a *Sports Illustrated* feature about the team under new general manager Reggie McKenzie.

Former owner Al Davis, an NFL icon and Hall of Famer, died in 2011 at 82. His son, Mark, was reportedly unhappy with the way SI portrayed his father and himself while McKenzie was covered more favorably in the national magazine.



SI's April feature

The 37-year-old Gilbert was director of athletic media relations at Colorado State University before moving to the Raiders to lead media relations in March 2012. He was formerly an assistant PR director for the Green Bay Packers in the NFL, where he worked with McKenzie, and for the Colorado Rockies in Major League Baseball.

In a statement, he thanked Davis and McKenzie, adding that he was “disappointed” to depart. “I leave holding my chin up, knowing I dedicated every waking hour to promoting a positive image for our team,” he said in a statement.

The Raiders thanked Gilbert for his service to the organization, noting it “appreciates Zak's efforts to foster strong relationships with coaches, players, club personnel and the media.”

The *Contra Costa Times* reported that Gilbert had been working from home since the SI story came out on April 18.

WPP ALIGNS WITH TWITTER

WPP has inked a global “partnership” with Twitter to use the social network's data in media and analytics platforms and development of new marketing services.

The agreement is the latest move in Twitter's embrace of advertising and marketing to raise revenue. Financial terms of the deal were not disclosed.

“As Twitter has grown, marketers are leveraging the platform for brand insights, relevant real-time messaging, and customer research,” said Twitter CEO Dick Costolo.

WPP said agencies including Kantar (consumer insight), GroupM (media buying) and Wunderman (digital) will work with Twitter on data-marketing efforts with increased targeting and “real-time” insight.

CEO Martin Sorrell noted Twitter's importance as both a communications medium and data stream. “Twitter's relevance continues to grow – not only as a social platform, but also as a window into consumer attitudes and behavior in real time,” he said.

Twitter in April aligned with media buyer Starcom MediaVest.

WASH POST PAYWALL GOES UP JUNE 12

The *Washington Post* said it will enact a paywall on its website starting June 12.

Readers will have to pay \$9.99 per month to access more than 20 articles a month.

The Post said readers who follow links from search engines or other websites can access the linked page regardless of the 20-article quota.

Home subscribers, students, teachers, government and military employees will have free access.

Videos and section front pages will also be free.

Publisher Katharine Weymouth left the door open to changes. “There is going to be a great deal of experimentation ahead to strike the right balance between ensuring access to critical news and information and building a sustainable business,” she said in a “publisher's letter” on the site.

NEWS CORP'S BROOKS PLEADS NOT GUILTY

Rebekah Brooks, who was chief executive of Rupert Murdoch's News Corp.'s U.K. operation, has pleaded not guilty of conspiring to hack into phone calls.

The scandal led to the 2011 shutdown of *News of the World* tabloid.

It sparked widespread public revulsion following the disclosure of hacking into the phone of 13-year-old murder victim Milly Dowler.

Murdoch personally apologized to Dowler's parents and News Corp. provided compensation to the family. The sum's amount was not disclosed.

Brooks appeared in London court with nine others who also filed not guilty pleas.

That group included Stuart Kuttner, former managing editor of NOTW.

Brooks served as editor of NOTW and *Sun*, its sister tabloid.

NBCU HIRES DISNEY VET HAMPTON

Comcast's NBCUniversal unit has hired Russell Hampton, who was president of Disney Publishing Worldwide until a year ago, for the newly created executive VP-franchise management and global consumer products slot.

The 17-year Disney staffer reports to Lauren Zalaznick, chief digital strategist for CEO Steve Burke

Hampton is charged with developing the kids and family space categories for NBCU.

At Disney, he fostered growth of the Muppets franchise after Disney acquired the Kermit-led group from Jim Henson Co. in 2004 in a \$680M deal.

He also spearheaded Disney's push into the educational market in China via its chain of English language schools.

At NBCU, Hampton will coordinate activities among units such as Universal Pictures/theme parks, NBC, MSNBC, Bravo, Telemundo and digital properties.

Prior to Disney, Hampton worked at Baby Einstein Co. and J.P. Morgan.



Hampton

MEDIA NEWS

OBAMA TAPS EX-JOURNO FOR UN AMBASS.

President Obama nominated former journalist and Dublin-born Samantha Power (47) to replace Susan Rice as U.S. Ambassador to the United Nations.

Power launched a 22-year reporting career as a freelancer in Bosnia in the 1990s during the Balkans crisis. Her reporting and commentary blistered the Clinton administration for its reluctance to bomb Serbia, a policy that it ultimately pursued.

The *Boston Globe*, *Washington Post*, *The Economist* and *U.S. & World Report* published Power's work, which led to a *New Republic* "Postcards" column of her dispatches from Sarajevo and Zagreb.

She became a policy analyst at the International Crisis Group and Pulitzer Prize-winner for "A Problem from Hell: America and the Age of Genocide," a book that advocates muscular military responses to genocide.

From 1998 to 2002, Power was founding executive director of the Carr Center for Human Rights Policy at Harvard University's Kennedy School of Government.

In 2005, she joined then-Sen. Obama's office as a foreign policy advisor and became his chief international counsel during the '08 presidential run.

She resigned the campaign after calling Hillary Clinton a "monster," a characterization Power made during in what she thought was an "off-the-record" interview.

Power rejoined Obama in the White House, serving as special assistant on the National Security Council and director of the Office of Multilateral Affairs and Human Rights until February.

She was among Obama's advisors to urge U.S. military intervention in Libya.



Power, right, in 2011 with Obama and Ben Rhodes, then-Deputy National Security Advisor for strategic communications.

Photo: White House

SOREK RESIGNS AS IABC STAFF HEAD

Christopher Sorek, who joined the International Assn. of Business Communicators last June as executive director, has resigned the post.

Sorek was only there a few months when he and chair Kerby Meyers announced that as of Nov. 30, 2012, ten staffers were being fired and that six more would follow that route after the turn of the year.

They announced that new blood was needed to take IABC in new directions, namely putting more content in digital form and revamping the stalled Accredited Business Communicator program.

Biggest digital change was converting IABC's magazine, *Communication World*, to online-only, which took place with the most recent issue.

Both initiatives, as well as the firing of 16 staffers, caused an eruption of more than 300 postings by mem-

bers on a LinkedIn network.

The nearly 1,200 members (about 10% of total) who earned their ABCs were upset that a new credential might replace that designation. Other members protested the switch of the magazine to online-only, noting that PR Society of America continues to print both its monthly PR Tactics tabloid and quarterly PR Strategist magazine.



Sorek

Neville Hobson, longtime member of IABC who decided not to renew because of the new policies at the group, found fault with the online CW in his blog.

Ed Lallo, longtime member of IABC, posted on newsroomink.com that Sorek's "demanding leadership style" and lack of face-to-face contact with members "caused friction" with members and staff. Lallo noted that Sorek was hired after the initial selection of the search committee decided not to take the job.

Sorek, who had been working in the U.K. and Switzerland for more than 12 years, succeeded Julie Freeman, who was the staff head for more than ten years.

Neither he nor Meyers would reveal the terms of his contract. He said the 2012 financial report of IABC will not be given to members until the board reviews it during the 2013 conference, which will be in New York from June 23-26 (Sunday-Wednesday).

DIGITAL ADS SOAR 16%

Digital advertising revenues in the U.S. soared 15.6 percent to a record \$9.6B during the first-quarter over the comparable 2012 period, according to numbers released by the Interactive Advertising Bureau.

Randy Rothenberg, president of the IAB, said in a statement that the robust performance "illustrates that marketers recognize that digital has become the go-to medium for all sorts of activities on all sorts of screens, at home, at the office an on-the-run."

The IAB sponsored survey is conducted by the new media group of PwC. Partner David Silverman said the record-setting numbers "are consistent with the continuing shift to digital and reflect the type of growth that the Internet advertising area has been seeing year-over-year."

Rothenberg, the former ad columnist for the *New York Times*, oversees an organization of more than 500 media and tech companies that are selling 86 percent of online ads in the U.S.

ELDER TO BUZZ FEED

Miriam Elder, Moscow bureau chief for the *Guardian*, has been named foreign editor of BuzzFeed to expand and shape the "social news" site's overseas coverage.

Editor-in-chief Ben Smith called Elder a "great journalist and social web native," noting her coverage of recent political protests in Russia on the web and Twitter.

"Foreign coverage is one of the last spheres where new media haven't competed aggressively with newspapers and television networks," said Smith. "We see an opportunity to reinvent international news for the social age and Miriam is the right person to do it."

NEWS OF PR FIRMS**D.C. REVIEWS HEALTH EXCHANGE PR**

Washington, D.C., kicked off an open pitch last week to guide communications for its health insurance exchange.

The DC Health Benefit Exchange Authority released an RFP on June 3 for an agency to plan and execute an integrated communications and marketing effort to educate the public and small businesses.

Firms must be within 100 miles of D.C.

The District received federal approval in December to run its own insurance exchange, which will begin to offer plans on Oct. 1. The crux of the PR push will focus on two enrollment periods – the first, starting in October and running through March 2014, and the second beginning in October 2014.

“By serving the nation's capital, the D.C. Health Benefit Exchange has the potential to serve as a model for the country,” reads the RFP.

The work, paid by federal funds, will be overseen by Richard Sorian, director of communications, education and outreach for the Authority.

Proposals are due June 24. RFP: <http://bit.ly/16WULY9>.

KETCHUM ACQUIRES GERMAN PR FIRM

Ketchum has acquired German lifestyle and tech PR firm Brandzeichen to bolster its foothold in Europe's largest economy.

Ketchum's 2009 mega-acquisition, Pleon, is based in Duesseldorf, also home of Brandzeichen. The 50-staffer firm has additional offices in Munich and Hamburg. Brandzeichen CEO Vicky Wagner will remain at the helm of the firm, which continues to operate under its own name and counts clients like Procter & Gamble and Kellogg's.

Senior partner Rob Flaherty noted Germany is the first country where Ketchum opened an office outside of the U.S.

Dick Propp is CEO of Ketchum Pleon Germany. Brandzeichen means “brand” in German. Ketchum is part of Omnicom.

BRIEF: Morgan Stanley has retained **Crossroads Strategies**, the firm of veteran Republican lobbyists John Green and Stewart Hall, for financial and tax reform matters. Input on implementation of the Dodd-Frank Wall Street Reform and Consumer Protection Act, capital standards issues and derivatives legislation are on CS' agenda. Green was deputy chief of staff to former Senate Majority Leader Trent Lott (MS), and Hall, ex-legislative director for Sen. Richard Shelby (AL), co-founded The Federalist Group, which they sold to Ogilvy PR in 2005. ...**Despite U.S. efforts** to woo Chinese financing, Americans are wary of direct investment by Chinese firms into American companies, according to a survey by **Hill+Knowlton Strategies**. Report: <http://bit.ly/16X9W3t>.

NEW ACCOUNTS**New York Area**

5WPR, New York/Ten Thousand Villages, 67-year-old fair trade retailer, as AOR for PR.

Red PR, New York/Gelish Soak-Off Nail Polish and Morgan Taylor Professional Mail Lacquer, non-competing nail care brands, for PR.

North 6th Agency, New York/Parent Society, aka Parent Media Group, a digital publisher, for a full-service PR program and re-branding support.

Corbin-Hillman Communications, New York/iCube, storage concept, as AOR for PR.

Whitegate PR, Queens, N.Y./CritterZone, air fresheners for pet owners, for PR.

Raker Goldstein, Old Tappan, N.J./Andiamo Annual Benefit Motorcycle Run, Sept. 8 in New York and New Jersey, for PR.

East

Quinn & Hary Marketing, New London, Conn./City of New London, as AOR for tourism PR, following an RFP process. Quinn is an affiliate of Boston's Regan Communications.

DDCworks, Conshohocken, Pa./Dune Medical Devices, for content and collateral production; Holy Redeemer Hospital, for video and digital production; The Reading Group, for PR, and American Realty Caputaol, for PR.

Bolt PR, Durham, N.C./Weejee Learning, e-learning solutions for business and other groups, as AOR for PR and marketing.

V.K. Fields & Co., Raleigh/American DBE Magazine, published by Evolution Supportive Services, as AOR for marketing, branding, social media and strategic communications.

Southeast

Caren West PR, Atlanta/The Real Chow Baby, stir-fry dining chain of three eateries, for PR as it opens a fourth location at Hartsfield-Jackson Atlanta In'tl Airport.

Southwest

Sammis & Ochoa, San Antonio/San Antonio Automobile Dealers Association and the San Antonio Auto & Truck Show, Nov. 21-24, for PR.

West

Vantage Communications, San Francisco/SearchYourCloud, search and secure access software developer, as U.S. AOR.

The Lippin Group, Los Angeles/NYTVF, the former New York Television Festival which connects independent creative talent with networks, studios and brands, for a two-year PR pact through its 10th anniversary year in 2014. Lippin has worked with the group since 2011.

JMPR, Woodland Hills, Calif./NanoHiFi, Indonesia-based audio technology systems, for U.S. media outreach and brand awareness.

International

Ogilvy PR, Beijing/City of Chengdu, to design and manage its media outreach strategy during the Fortune Global Forum. Ogilvy picked up the work following a competitive bid process and has counted the western China city as a project client since 2010.

NEWS OF SERVICES

JASCULCA TAKES TOP CHICAGO PR HONORS

Jasculca Terman & Associates won top honors at the Publicity Club of Chicago's annual Golden Trumpet Awards May 30 for its PR work on the World Summit of Nobel Peace Laureates in the Windy City last year.

JT&A served as executive producer for the summit, encompassing a wide range of duties from PR and program development to logistics. More than 6,000 officials and 200 reporters attended the event from around the world.

Burson-Marsteller with client Discover Financial Services won the top creative honor, the Elynore Dolkart Meserow Award, for PR work surrounding the

"Pathway to Financial Success" program, a five-year, \$10M push by Discover to fund public high schools.

Erica Swerdlow, U.S. EVP and Midwest market leader at Burson-Marsteller, said the award represents "strong, strategic collaboration throughout our network and great execution of an exciting program."

MSLGroup took home five Gold Trumpets for clients including General Motors, DeVry Univ., LBP Manufacturing and Mazola to lead the agency pack. Public Communications Inc., Zapwater and Edelman won four Gold Trumpets apiece while GolinHarris hit a triple, among the 58 Gold winners. Seventy Silver Trumpets were also awarded.

The Lincoln Park Zoo's "Saving Serengeti by Eradicating Rabies" campaign won the clubs Edwin J. Shaughnessy Award for improving the quality of life, while Turner + Cunniff and the Ancona School won top honors for enhancing and promoting a brand with the Jeffrey D. Bierig Brand Builder Award.

WGN-TV anchor and medical reporter Dina Bair and WBBM-TV reporter Vince Gerasole co-hosted the event at the Palmer House Hilton Hotel, the Publicity Club's 54th annual Trump event.

Luke Cushman, president of PCC and a senior associate for Burson-Marsteller, said the awards are validation by industry peers for hard work put in daily by PR pros on behalf of employers and clients. Board member Jon Kaplan of GreenMark PR said a Trumpet is the "pinnacle of recognition in the Chicago PR community."

Lifetime achievement honors went to Dominic DiFrisco, a senior consultant for Edelman, and Howard Mendelsohn, president of his own firm. Playboy Enterprises CEO Christie Hefner presented the lifetime awards.

SJ PR, which won two Gold honors, was recognized for its work with Gift of Hope Organ & Tissue Donor Network, which set a Guinness World Record for most organ and tissue donor registrations in a day at a Univ. of Illinois event last year. The event smashed the old record of 765, setting the new mark at 2,262.

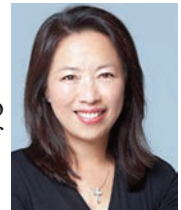
A full list of winners is at publicity.org.



PEOPLE

Joined

Lorain Wong, senior VP of marketing and communications, Pacnet, to HTC, Taipei, Taiwan, as VP of global PR, corporate and internal communications. Wong, who reports to CMO Benjamin Ho, was VP of corporate mktg. and comms. for Qwest Asia and head of corporate comms. for Global One Asia Pacific. She was posted in California for AT&T and started out in TV news in the U.S. and Asia.



Wong

Renee Harper, Newark Public Schools communications chief, to Havas PR North America, New York, executive VP, a new role focused on education, philanthropy and NGO business. She started in Newark as a PR consultant and ended with a year-long contract as chief communications officer, directing external affairs for the Brick City's schools through its \$100M donation by Facebook founder Mark Zuckerberg. She previously worked with Bell Pottinger USA and ran her own Dubai-based shop, Gambate Communications Consultancy, a former Ketchum affiliate with blue chips clients like Unilever and Kodak.



Harper

John Sweeney, IR officer for the Nasdaq, to Science Applications International Corp., McLean, Va., as senior VP, investor relations, following SAIC's separation into two companies. He was previously with Sirona Dental Systems and Weight Watchers Int'l.

Jeff Bobeck, a Dept. of Energy veteran, to PA shop Navista, Washington, D.C., as VP-public and international affairs. Bobeck was the first external affairs director at DOE's environmental management program when he was appointed by President Bush in 2007. He was staffer on the House Ways and Means Committee, external liaison at the American Automobile Manufacturers Assn., VP-PA at the National Assn. of Broadcasters and chief lobbyist for PBS TV.

Mark Gersh, founder and Washington director of NCEC Services Co, to Global Consulting Group, Washington, D.C., as a senior advisor to provide strategic counsel on politics and PA.

Lara Kennedy Hogan, president, Kennedy & Co., to Phillips & Company, Austin, as a senior VP as the firm acquires her boutique PR and design firms. Hogan, a former Congressional aide, founded Hogan



Hogan

PR in 2010 and changed its name to Kennedy & Co. in 2012. Hogan also runs Check 6 Consulting, formed in March in a merger with Peckish Design & Marketing and which has outposts in Round Rock, Tex., and Alexandria, Va. Peckish founder **Felicia Mae Rateliff** joins the top-10-ranked P&C as a manager focused on social media strategy, branding and digital design.

Promoted

Jim Brown to senior VP, finance, Dix & Eaton, Cleveland. The 12-year D&E alum joins the firm's leadership committee and is corporate secretary and treasurer.

MAKOVSKY, LILLY, KOWA BEST APPLES

Kowa Pharmaceuticals America and Eli Lilly and Company, working with Makovsky, took home Best in Show honors from PRSA-NY at the chapter's annual Big Apple Awards ceremony in New York May 24.

The campaign supported Kowa and Lily's USAGE -- Understanding Statin Use in America and Gaps in Education -- survey on cholesterol and statin use and perceptions among Americans.

Carmichael Lynch Spong was the top winner with seven Big Apples, followed by multiple winners Coyne PR (4), 360 PR and Ruder Finn (3), and MSLGroup, M Booth, CRT/tanaka and Emanate (2). CLS was awarded for its work for Save-a-Lot, Calphalon, Shewin-Williams, while Coyne cleaned on behalf of clients like Banfield Pet Hospital, Humana, and Simon Graduate School of Business at the Univ. of Rochester.

David Ushery of NBC 4 New York was given the chapter's first Big Apple Award for Excellence in Journalism. Paul Gennaro, senior VP of corporate comms. at AECOM, received the John W. Hill Award for leadership in PR. David Grant, founder/president of LVM Group, was given the Philip Dorf Award for mentorship, while Ruder Finn senior VP Emmanuel Tchividjian was honored with the President's Award for contributions to the chapter.

More than 200 industry pros attended the event at the Mandarin Oriental Hotel, the chapter's 26th Big Apple ceremony.

Fleishman-Hillard's TogoRun healthcare PR unit took home the Apple for Best Use of Research, Measurement and Evaluation for its work with Bristol-Myers Squibb on the "SHE: The Untold Story of HIV" campaign.

SHIFT GETS CREATIVE

Pete Buhler, who built a creative department in a five-year run at Cone Communications, has moved to Boston-based Shift Communications to do the same.

Buhler takes the reins as Shift's first creative director to build and align a creative unit alongside its marketing and PR services.

CEO Todd Defren, who touts paid promotion as one way to "amplify" earned media, said Buhler will strengthen the firm's content creation offerings.

Before his VP stint at Cone, he was creative director at Wapole, Mass.-based Island Oasis.

PR STAFFER COPS EMBEZZLEMENT PLEA

The top administrator for a Dallas PR firm pleaded guilty under a plea deal in federal court June 5 after embezzling more than \$772K from the firm for personal items like an outdoor deck and hot tub.

Marci Johnson, 46, entered a guilty plea on one count of mail fraud stemming from the embezzlement, which occurred over seven years at Spaeth Communications, the firm of former Reagan White House PR aide Merrie Spaeth.

She faces up to 24 months in prison if full restitution of \$772,829.25 is paid by September 18 and the plea deal is accepted.

U.S. Attorney Sarah Saldana said Johnson, as chief administrative officer at Spaeth, used her corporate American Express card for personal charges like dining, department stores and entertainment, and then used company checks to pay the bill. She also wrote company checks to cover charges on her personal credit cards for items including outdoor granite countertops, a deck and a hot tub at her home in Kaufman, Tex.

Johnson also falsified account records to hide her scheme, Saldana said.

"Based on her long-standing working relationship with the company's owner, Johnson occupied a position of trust that provided her substantial discretion over the company's bank accounts," the U.S. attorney for the Northern District of Texas said.

The FBI and U.S. Postal Inspection Service conducted the probe. Johnson spent her entire career with the firm, joining as an intern in 1987.

DNC POLITICO RETURNS TO DKC

Jeffrey Lerner, who was political director at the Democratic National Committee, today has returned to DKC Public Relations as executive VP.

He also served as White House southern political director during President Obama's first two years in office, chief of labor group Change to Win's 2008 campaign effort to elect Obama and communications director for New York Governor Andrew Cuomo.

At DKC's New York outpost, Lerner will focus on strategic PR and crisis management with managing partner John Marino and managing director Joe DePlasco.

President Sean Cassidy expects clients will benefit from Lerner's "national PA footprint."

DKC is O'Dwyer's No. 9 ranked independent firm with 2012 fee income of \$32.8M, up 22 percent from the earlier period.

AMERICA COC IN SHANGHAI SIGNS D.C. FIRM

The America Chamber of Commerce in Shanghai has tapped Crowell & Moring International to handle Washington issues that may impact commercial ties between China and the U.S.

C&M's Andrew Blasi, who was with US-ASEAN Business Council in D.C., will oversee the effort. He also worked for the State Dept. in the U.S. embassy in London and earlier was Australia's liaison to the U.S. Congress.

Created in 1915, The Shanghai chamber was ACOC's third overseas office.

The so-called "Voice of American Business in China" claims to be "committed to the principles of free trade, open markets, private enterprise and the unrestricted flow of information."

It June 14 marketing and media event covers relationships between global brands and communications agencies.

Speakers will include Clair Mah, Tiffany & Co.'s marketing chief in China; Hans Vito Lopez, executive planning director in charge of General Electric and Pepsi accounts at BBDO/Proximity China, and Cindy Chan, head of consumer engagement at Mondelez International, Kraft Foods' spin-off.

Retired General Stanley McChrystal, who led the U.S. troops in Afghanistan until a *Rolling Stone* article in 2010 ended that assignment, told his sad tale to the 2013 PR Seminar at the Ritz-Carlton at Half Moon Bay June 2-5.

Scheduled speaker Condoleezza Rice, Secretary of State from 2005-09, was unable to appear.

The *Rolling Stone* article earned McChrystal the nickname, “Runaway General.”

McChrystal has just authored *My Share of the Task: A Memoir*.

Although his remarks to Seminarians were off-the-record, he has made no secret of his views.

He told Yahoo!News Feb. 5 that his firing by President Obama is still “painful” to him although it was three years ago. He says he could imagine being fired for incompetence or being killed but “I never thought I could be painted with any brush of disrespect or disloyalty.”

Was Summoned to White House

He had been summoned to the White House to explain the article to President Obama. Secretary of Defense Robert Gates said he had made “a significant mistake and exercised poor judgment.”

Rice, said on an interview on CBS-TV June 3, that U.S. action is needed in Syria to prevent destabilization in the region. Secretary of State during the recent Bush administration, she is currently a professor of political science at Stanford University. She was provost at SU from 1993-99.

Seminarians don’t share what any of the speakers say at their meetings but there are numerous YouTube segments and quotes of Rice on the web. She has refused to criticize the Obama Administration for its handling of the attack on the U.S. mission in Benghazi, saying that in the “fog of war,” it is hard to know exactly what happened. Seminarians spent a day at Stanford University as part of the 2013 meeting.

David Demarest, VP-PA of SU, is a longtime Seminarian. He was communications director of the 1988 Bush-Quayle presidential campaign and later worked for Bank of America and Visa.

Security Expert DeWalt Speaks

Also speaking was Dave DeWalt, former CEO of McAfee who took the same title at FireEye, virus tracker, in November, 2012.

He has said he hopes to take FireEye public by the end of this year. Plans are underway for an initial public offering.

Other speakers were Stanford professors Robert Sapolsky, Jennifer Aaker and Deborah Gruenfeld; futurist Edie Weiner, Mattias Klum, photographer for National Geographic; “social innovation experts” Jason Clay and Jason Saul, and Dean Ornish, M.D., whose topic was preventive medicine.

Conspicuously absent from the list of speakers were editors of major media. In previous years, editors of the *New York Times*, *Wall Street Journal*, CBS, *Time* magazine, CNBC, Fox, *Financial Times* and more than a

dozen other major media were staples on the program.

Journalist Criticized Seminar

However, Peter Sussman, a founding member of the Ethics Board of the Society of Professional Journalists, said in 2009 that the presence of journalists at such a secret meeting violated ten articles of the SPJ Code including avoiding conflicts of interest, real or perceived.

Journalists, he wrote, should be “vigilant and courageous about holding those with power accountable.” They are supposed to “give voice to the voiceless,” not “give voice to the voiced,” he added.

PR Seminar (the name used on the 990 501/c/6 tax return) grossed \$646,896 in the year ended August 31, 2011, and had \$688,830 in cash in a non-interest bearing account. Seminar, which this year opened a public website, www.theseminar.biz, takes in most of its money from conference fees of about \$3,500 for attendees.

New Yorker Profiles “Lie Factory” of Seminarian

The Sept. 24, 2012 *New Yorker* devoted eight pages to one of its earliest members who was a regular attendee for decades—Leone Baxter. Her name is on the first attendance list we obtained (1969) and was also there in 1991. The piece, by Jill Lepore, titled “The Lie Factory,” tells of Whitaker & Baxter’s campaign against author and Democrat Upton Sinclair, who was running for governor of California in 1934. He wrote 47 books including *The Jungle*, an acclaimed expose of the meat-packing industry.

Sinclair lost and blamed a “Lie Factory” run by W&B although its actual name was Campaigns, Inc. Lepore says it was the “first political-consulting firm.” Baxter’s partner, Clem Whitaker, died in 1961.

W&B campaigned against federal healthcare programs which it labeled “socialized medicine.” Its approach was “attack, attack, attack.” An article in *The Nation* in 1951 by Carey McWilliams titled “Government by Whitaker & Baxter” took some of the wind out of its sails. The American Medical Assn. dropped W&B. Baxter “rarely” gave interviews, said Lepore. She died in 2001 at the age of 95.

Meuchner, Hudson, McConnell Head PRS

Heading PR Seminar this year are chair Gerard Meuchner of Henry Schein, healthcare products; program chair Betty Hudson, National Geographic Society, and secretary-treasurer Clay McConnell, Airbus Americas.

The 32-member board includes 17 Page Society members like Dave “analyze quickly what is right and wrong” Senay of FleishmanHillard, who is also chair of the Council of PR Firms. Attending Seminar in 2010 and 2012 was Oscar Suris, XVP-CC, Wells Fargo & Co. Suris, although not a member of the PR Society, is co-chair of the 2013 conference in Philadelphia Oct. 26-29. Some members are irked at such a lofty post being bestowed on a non-member. They note that IBM chief Jon Iwata, although still not a member of the Society, was its “PR Professional of the Year” in 2012 after winning the Paladin Award of the Society’s Foundation in 2011. Only six IBM staffers were members in May 2012.

– Jack O’Dwyer