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# O'Dwyer's Newsletter

The Inside News of  
PR and Marketing  
Communications

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## ARMY MULLS PR FOR TRANSITION PROGRAM

The US Army's Warrior Transition Command is mulling plans to enlist outside strategic communications support for its Warrior Care and Transition Program, encompassing units located at major military treatment facilities that treat and advise wounded and ill soldiers through the rehabilitation and medical care process.



The Army earlier this year announced plans to restructure the 38 units -- 29 at Army installations and nine in communities -- as deployments decrease and the number of soldiers is reduced. The program was created in 2010 in the wake of the Walter Reed Medical Center scandal in 2007, where shoddy treatment of wounded military members became a flashpoint of criticism.

The Army put out a feeler this month for firms that can provide research, communications, and related services like social media and speech writing to the Warrior Transition Command, based in Alexandria. It wants to hear from interested agencies by Oct. 24, possibly in anticipation of an RFP.

Details: <http://bit.ly/1rnfUig>.

## BURSON AIDS TEXAS EBOLA HOSPITAL

The Texas hospital where a patient died from Ebola and two healthcare workers contracted the deadly disease has brought in Burson-Marsteller for crisis PR support.

Texas Health Presbyterian Hospital, a highly rated institution in the Lone Star State, has faced withering criticism over its safety procedures since the Ebola cases broke.

On Oct. 15, the hospital said it will offer rooms for employees who may have been exposed to the virus as nurses have openly questioned safety procedures.

The two nurses who contracted the disease have been flown to hospitals in Maryland and Georgia for treatment.

The *New York Times* said the hospital hired Burson on Oct. 10 to help tell its side.

A hospital PR official asked about outside PR counsel earlier this week has not been reached.

Criticism has also been directed toward the Obama administration and the federal Centers for Disease Control in recent days. President Barack Obama on Oct. 15 and 16 cancelled campaign appearances in the northeast and vowed a more "aggressive" posture toward containing the disease.

## TRUNCALE TOPS PRSA

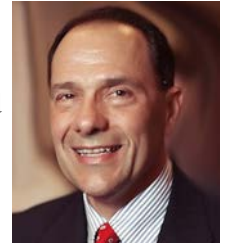
Joe Truncale, CEO of the trade group for the mailing and fulfillment services sector, is the new chief of Public Relations Society of America.

Joe Cohen, PRSA chair, lauded Truncale's "wealth of association experience," "tremendous perspective" and "understanding of communications and marketing coupled with his shrewd business acumen."

Truncale joined the National Assn. for Printing Leadership in 1984 as member of director relations and assumed the top spot in 2002.

He succeeds Bill Murray, who announced his resignation in March and left June 1 following a seven-year stint.

Korn Ferry and PRSA's search committee considered about 200 applicants for the position.



Truncale

## CATSKILLS REGION OPENS PR SEARCH

New York's Greene County, which pitches the "Great Northern Catskills" region of the Empire State, is on the hunt for tourism and PR marketing counsel.

The GC Dept. of Economic Development, Tourism & Planning released an RFP last week for an agency of record for tourism destination marketing. The assignment covers brand development, PR, content, digital, social marketing, advertising and other outreach.

The DMO wants a full-service firm with at least three years of experience in travel marketing.

Proposals are due Nov. 12. View the RFP ([link](#)).

## RACEPOINT LOOKS WEST WITH FONKALSRUD

David Fonkalsrud, co-founder and partner at tech shop K/F Communications, has landed at Racepoint Global as EVP and West Coast lead based in San Francisco.

Fonkalsrud and Julie Karbo split up K/F Communications after 13 years in June.

For Boston-based Racepoint, Fonkalsrud is charged with expanding the firm's western presence and oversees a team with accounts like ARM Holdings, Samsung and Shoo the Flu.

He was previously manager of marketing and corporate communications for DHL Worldwide Express.

Racepoint is part of Larry Weber's W2 Group. Former San Francisco GM Bill Orr moved to Burson-Marsteller last year.

Fonkalsrud's former K/F partner Karbo now runs her own San Francisco shop, Karbo Communications.

## **KETCHUM BACKS PRESS FOR SPAIN'S OLIVES**

Ketchum is handling a six-month \$1.2M 2014 "Olives from Spain" promotional campaign on behalf of the country's trade commission.

The through November effort includes research, planning, consumer advertising, execution targeting consumers and trade service audiences.

The program includes "brand ambassadors," sampling, cooking demonstrations in test kitchens of publishers Hearst and Meredith Corp., Huffington Post native advertising, Internet media tours and sweepstakes.

The outreach focuses on primary (New York, Miami, Chicago, San Francisco) and secondary markets (Los Angeles, Washington, Philadelphia, Seattle).

Ketchum will chalk up \$344K in management/administrative fees, according to the contract.

Separately, the Omnicom unit has a pact worth \$265K, of which \$70K are agency fees, from the trade promotion agency of Spain's Andalusia provinces.

That agreement calls for development of an online generic promotional campaign to promote Spanish olives.

The European Union is footing the bill for the Andalusian drive, which runs through April.



## **NOBLE TAPS FTI AS MED WOES MOUNT**

Noble Energy has hired FTI Consulting for a "status report on developments in the Eastern Mediterranean," according to its federal lobbying filing.

The Houston-based company has been operating in the Mediterranean offshore Israel since 1998.

In late 2011, it announced a big discovery offshore Cyprus and is currently studying its options for that resource.

Turkey, this month, announced plans to develop gas in the exclusive economic zone of Cyprus, raising tensions between the two states. The president of Cyprus, Nicos Anastasiades, called the Turkish move a grave violation of his country's sovereign rights.

Turkey plans to begin seismic tests in the disputed waters on Oct. 20. France's TOTAL and Italy's ENI also have development rights offshore Cyprus.

Jackson Dunn, managing director in FTI's strategic communications group handles Noble.

Before FTI, he served in the Clinton White House.

## **OGILVY'S GRAVES TO CHAIR PR COUNCIL**

Ogilvy chairman and former global CEO Christopher Graves was elected chairman of the Council of PR Firms for 2015 and will take the reins from Fleishman-Hillard chief Dave Senay.

Graves chaired CPRF's Critical Issues Forum for the past two years.

"He is the perfect person to lead our organization into the future," said CPRF president Kathy Cripps.

CPRF also tapped Aaron Schoenherr, founding part-

ner of Chicago's Greentarget, as secretary and Bryan Harris, COO and managing partner at Taylor, as treasurer.

Joining the trade group's board are Virginia Devlin, president, Current; Carrie Jones, managing partner, JPA Health Comms.; Daryl McCullough, CEO, Citizen Relations; Todd Hansen, principal, O'Malley Hansen Communications; Ron Sachs, president/CEO Sachs Media Group, and Karen van Bergen, CEO, Porter Novelli.

## **CONSUMERS WANT MORE FROM BRANDS**

Consumers believe they have a one-way relationship with brands and are not getting much value in return, according to Edelman's second annual brandshare study released Oct. 15.

While 87 percent of those polled in a dozen countries look for meaningful ties to brands, only 17 percent are satisfied with the relationships.

Seven-in-ten believe brands only use customer relationships to fatten their own profits.

"Consumer expectations have become much higher for brands and people expect to get more out of these relationships than they're currently receiving," said Michelle Hutton, Edelman's consumer marketing global chair.

The survey reports brands must satisfy the rational, emotional and societal needs of people. Societal demands, which is a newly emerged need state, is more than corporate social responsibility. It's about defining a purpose and vision for the future and then using resources to drive change, according to brandshare.

When the needs are met, said Ben Boyd, Edelman's practices, sectors and offerings president, "there is a quantifiable impact on the relationship between brand and consumer as well as the brand's bottom line."

## **EDELMAN CHINA UNIT CHIEF BACK HOME**

Steven Cao, who leads Edelman's China group, has returned to his family after he went missing in August, reportedly to help authorities with an investigation.

Edelman, which earlier said he was cooperating with Chinese authorities on an unspecified investigation, confirmed Oct. 15 that Cao "has returned to his family" and is "spending private time" with them.

Cao joined Edelman with its acquisition of Pegasus PR Consulting in 2007. Edelman tapped Cao as CEO of the Edelman China Group in early 2013, encompassing Edelman, Edelman Digital, Pegasus and Zeno Group in the country.

Edelman raised eyebrows in early August when it said it didn't know Cao's whereabouts, a week after Chinese authorities visited Pegasus offices.

Pegasus co-founder Rui Chenggang, a former business news anchor in China, was detained in a government corruption investigation in July centered on the state's China Central Television.

Reuters from Beijing reported that Edelman expected Rui to divest his shares of Pegasus immediately after the Edelman acquisition, but he waited three years. The news agency said the nationalistic Rui once led a campaign to oust Edelman client Starbucks from Beijing's Forbidden City.

**CBS, HBO EYE DIGITAL SUBSCRIPTIONS**

CBS Corp. has launched a \$5.99-per-month digital streaming service, providing users current and previous-season TV series, local CBS stations from the top markets live, and classic shows on-demand.

Dubbed CBS All Access, the service is available through the CBS.com website or apps for mobile devices.

"This new subscription service will deliver the most of CBS to our biggest fans while being additive to the overall ecosystem," said CEO Les Moonves.

HBO, meanwhile, announced plans to offer a stand-alone streaming service, offering its premium content for the first time to viewers without a cable or satellite TV subscription.

Richard Pleper, chairman and CEO of HBO parent Time Warner, announced the plans at an investor meeting Oct. 15. "That is a large and growing opportunity that should no longer be left untapped," he said of digital subscribers. "It is time to remove all barriers to those who want HBO."

Pleper noted there are 80M homes without HBO and "we will use all means at our disposal to go after them." HBO currently offers its HBO Go streaming service to its TV subscribers.

Derek Thompson of *The Atlantic* said the moves by HBO and CBS, announced a day apart, show "the cable bundle has unraveled more the last 24 hours than in the previous 24 months."

**MARTHA OUTSOURCES MAG TO MEREDITH**

Martha Stewart Living Omnimedia has struck a 10-year deal with magazine giant Meredith Corp. to publish *Martha Stewart Living* and *Martha Stewart Weddings*, as well as web properties and a large video library.

Meredith, starting Nov. 1, will handle marketing, sales, circulation and other non-editorial duties for the media properties while MSLO's editorial team remains in place.

Meredith's duties begin with the February 2015 issue of MSL and Winter 2014 special issue of MSW.

Stewart, who is founder and non-executive chairman of MSL, cited Meredith's excellent track record on the business side of magazines, adding that "our editorial team can focus entirely on what we do best."

The *New York Post* reported that MSLO has lost more than \$30M over the last two years on publishing.

Meredith properties include *Better Homes and Gardens*, *Every Day with Rachel Ray*, *Parents* and *Traditional Home*, among others.

**TODD TRASHES DYSFUNCTIONAL DC POLITICS**

Our political system is broken because professional politicians refuse to practice the art of politics, Chuck Todd, moderator of NBC's "Meet the Press," told PRSA's National Conference on Oct. 13.

While a typical person negotiates and makes decisions many times every day, politicians avoid the give and take discussions like the plague.



Chuck Todd

It was much different during the 1980s when liberal House Speaker Tip O'Neill worked with conservative President Ronald Reagan.

Todd said those political masters had to cooperate. O'Neill needed the backing of Blue Dog Democrats who liked Reagan and Reagan had to maintain support from the liberal wing of the Republican party and

wanted to woo disaffected Democrats.

Blue Dogs and liberal Republicans barely exist today. Extreme polarization abounds. "If House Speaker John Boehner tried to work with President Obama, he'd be fired and called a Judas," by members of this own party," Todd said.

**Money Poisons Political Well**

Todd said the system is polluted by the flood of money from deep-pocketed contributors who now decide what issues are to be highlighted in elections.

Candidates don't own their campaigns, said Todd, adding that outsiders will spend more in the impending election than the individuals running for office.

The billionaires who are funding campaigns care little about the No. 1 issue of the day: middle class anxiety. Todd said the strengthening economy is not improving the economic lives of millions of people. He said Washington and its suburbs are doing well but go 100 miles outside of metropolitan area and people are hurting.

Vast stretches of the US depend on employment in hospitals, local governments and casinos--positions not providing ways to move up the economic ladder.

It wasn't always like that. Todd noted towns like Waterloo, IA, once thrived because of manufacturing plants such as John Deere, which provided well-paying jobs that bolstered the entire community.

Deere is now a shadow of itself in Waterloo. The local economy suffers.

The economic distress throughout the land has spawned the rise of populist Tea Party groups of the right and anti-Wall Street factions on the left.

Anti-elitists understand federal Washington is more interested in protecting its own turf and that of its political funders. Todd is amazed that a political moderate such as long-time Kansas Senator Pat Roberts can now spew anti-Obama rhetoric in order to save his own political hide.

(Continued on page 4)

**MEDIA NEWS****TODD AT PRSA CONFERENCE** (Cont'd from pg. 3)

The November election will not have much of an impact on status quo.

"It's not a wave election" set on throwing the bums out, said Todd. "If it were a wave vote, we would have felt it by now."

To Todd, it doesn't matter if Mitch McConnell becomes Majority Leader or Harry Reid retains the job.

Republicans and Democrats share a common ideology, which is geared to their own survival.

The election, however, could plant a seed of change.

Todd predicts a dozen Senate winners will have been voted into office with less than a majority tally, easily surpassing the all-time record of five less-than-majority winners in a single election

It's hardly a mandate of support when "a majority of voters didn't back the winners."

Reform will come when an independent can galvanize support of voters on the right and left who are disgusted with the shenanigans. "Who wants to work in a political sewer?" asked Todd.

Change will arrive when the benefits stemming from the flood of money into politics are "dis-incentivized," said Todd.

Current gridlock benefits the private sector that lives in fear of an "activist" government that would put the interests of common people ahead of their own.

The NBC News political director said politics is broken and it's going to take a while before its put back together.

Todd warned: "Tumultuous times are ahead."

**DOBROW TO MUN2 AS VP, COMMS**

Peter Dobrow, executive director of corporate communications for Comcast Corp., is moving to NBCUniversal-owned Hispanic cable network mun2 as VP, communications.

**Dobrow**

Dobrow will report to network president Ruben Mendola leading trade and consumer media relations, internal and external corporate comms., based in Los Angeles.

NBCU is part of Comcast, where Dobrow spent the last four years focused on consumer communications for its cable business, XFINITY.

Hanna Bolte, VP of media & talent relations at mun2, stepped down in July.

Dobrow was previously director of external comms. in six years at T-mobile and earlier co-founded New York agency ConceptBlue Marketing Communications & Publicity with clients like ExxonMobil and MLB.

**OBAMA NAMES POLITICO EBOLA CZAR**

President Obama, pressured by Democrats and Republican over the shaky federal response to the Ebola virus, today named Ron Klain, former chief of staff to Vice President Biden and ex-VP Gore, as Ebola czar.

He is to make sure that federal efforts to protect Americans from the disease are integrated "but don't distract from the aggressive commitment to stopping Ebola

at the source in West Africa," a White House official said.

Klain reports to Lisa Monaco, the White House's homeland security advisor, and to Susan Rice, national security advisor.

Obama tapped Klain, who is president of former AOL chairman Steve Case's Case Holdings, for preparation work for the presidential debates.

**Klain****BROADCAST BOOSTS GANNETT**

Gannett, which is planning to split the company between broadcast and publishing, posted third quarter revenue growth of 15 percent to \$1.4B on the strength of broadcast operations. Net income was \$140M.

Gannett's acquisition of Belo Corp. boosted broadcast revenues to \$417M, up 105% over Q3 of 2013. That includes a \$40M boost from political spending ahead of Congressional mid-term elections.

Publishing revenues fell 3.6% to \$826.8M as softer advertising demand was offset partially by higher digital ad and marketing services revenue.

Within publishing, ad revenues fell 4.9% to \$494.9M, while circulation revenues ticked up 1 percent to \$276.8M on the strength of home delivery price increases.

Digital was up 4.4% to \$199.8M.

Earlier this month, the company said it inked a deal to acquire full ownership of Cars.com, paying \$1.8M in cash for the 73% interest it did not already own in Classified Ventures LLC.

**SCHNEIDER EXITS ABC NEWS**

Jeffrey Schneider, senior VP and longtime spokesman for ABC News, is leaving to start his own PR shop, Schneider Global Strategy.

Schneider exits ABC News after 14 years.

ABC News president James Goldston said Schneider told him in March he was interested in starting his own firm and was asked to remain for a transition period, including through Goldston's appointment as president in April, when then ABC News chief Ben Sherwood was named Disney/ABC TV Group president.

"We have all seen [Schneider] in action, promoting and defending this news division with passion and intensity," Goldston told staff in a memo released Oct. 20. "And for 14 years, 365 days a year, at all hours of the night and day, he has treated ABC News as family, advising with the utmost care and wisdom so many in this division and company."

Julie Townsend, VP of comms., is taking the reins on ABC News communications. She started as a PR coordinator for "Nightline" and "This Week" in Washington in 2001 before departing for NBC. She returned in 2011.

Schneider will stay on through the mid-term elections before giving way to Townsend, who will report to Kevin Brockman, EVP of global communications for Disney/ABC TV.

**Schneider**

**NEWS OF PR FIRMS****E-COMMERCE TECH CO WANTS PR PITCHES**

UQontrol, an Idaho-based early-stage consumer tech company slated to bring a product for making online shopping easier and more secure to market next year, wants to hear from PR firms.

The Sand Point-based company, currently in "stealth mode," released an RFQ on Oct. 14 for a firm to create a PR program that will "drive awareness and pre-orders/funding for the consumer product launch," slated for early 2015.

Projected PR budget is \$100K-\$200K, excluding out-of-pocket costs.

The work is expected to include product messaging, spokesperson briefing materials, press kit creation, social media, editorial content, and media relations, among other efforts.

Kim Coutts, VP of PR, is handling the search. Proposals are due Oct. 22. RFP: <http://bit.ly/10e2jnT>.

**W2O BUILDS UP MIDWEST**

San Francisco-based W2O Group has expanded its Midwest operations in Minneapolis and Chicago on the strength of consumer, tech and healthcare work. The agency is also building out outposts in Milwaukee and Cincinnati.

Mac Smith, former manager of social measurement at Target, joins WCG Minneapolis as a director in analytics, and San Francisco-based healthcare practice director Scott Shadiow is headed to the Twin Cities to expand that practice.

W2O has opened a new downtown Chicago office led by Twist Marketing group director Jessica Carlson.

**RF ACQUIRES ASIA OPS OF SHARPELANKESTER**

Ruder Finn has acquired the Asia-Pacific portfolio of two-year-old London and Hong Kong-based SharpeLankester.

Charles Lankester, an Edelman alum, has joined RF's leadership team in the new post of SVP, reputation management, Asia-Pacific, based in Hong Kong. SL co-founder Andrew Sharp remains in the UK to pursue "his political interests" there and service his own client portfolio focused in financial markets advisory work.

RFP also adds Hong Kong-based European Union press and information officer Cynthia Wan, formerly of APCO Worldwide, as director, RF Hong Kong.

**C&W'S LEVIN TO NEWLIO**

Josh Levin, senior VP and head of Cohn & Wolfe's US corporate affairs practice, has moved to marketing research start-up newlio as chief marketing officer and partner.

Newlio, founded in September 2012 in New York, handles customer and audience surveys and other insight research for clients like BBC Worldwide, Stoli and Choice Hotels International.

Levin joined C&W in May 2013 from sister WPP agency Ogilvy PR, where he was a SVP in its public and corporate affairs unit posted in Australia, China and New York. He also worked PA and communications roles for the Australian government's Dept. of Foreign Affairs and Trade and New South Wales Jewish Board of Deputies.

**NEW ACCOUNTS****New York Area**

**Ruder Finn**, New York/Bridgelux, global LED lighting technology and Solid State Lighting performance and system optimization, for PR, following a competitive pitch. RF offices in San Francisco, New York, China and Hong Kong are collaborating on a rebrand, thought leadership, experiential marketing stunts, and other efforts.

**Nancy J. Friedman PR**, New York/Miami Beach EDITION, Ian Schragger and Marriott International property slated to open Dec. 1; Gansevoort Dominican Republic, Playa Imbert, opening Dec. 1, and Li-Lac Chocolates, 91-year-old Greenwich Village confectioner, for launch of its new Sunset Park, Brooklyn factory and retail outlet, set to open in November.

**Diffusion**, New York/Skulpt, health and fitness technology developer, as AOR for PR, following a competitive pitch. Work begins with the late 2014 launch of Skulpt Aim, a personal fitness device that rates the quality of muscles and measures fat percentages.

**The Brandman Agency**, New York/DOM Interiors, network of interior showrooms in North America focused on sustainable design, for PR.

**Robertson Solutions**, New York/Central Coast Tourism Council (Australia), for North American PR. The firm previously worked with CCTC on a four-part TV segment series for Australian TV.

**Fastlane Communications**, New York/My-Villages, technology that connects marine service professionals and industry suppliers with consumers, for branding, messaging, PR, social media, and digital design. Its two brands include The Boat Village platform and DockMaster software suite.

**East**

**Environics Communications**, Washington, D.C./Wolf Trap Foundation for the Performing Arts, to promote its Early Childhood STEM (Science, Technology, Engineering and Math) Learning Through the Arts program, which provides arts education services in communities across the U.S. backed by a major grant from the US Dept. of Education.

**Midwest**

**Ogilvy PR**, Chicago/McGraw-Hill Education, as AOR for PR. Ogilvy offices in New York, Washington and San Francisco will support the work. Daniel Sieger, VP of corporate comms., said the company has been known as the premier textbook publisher for 125 years but many don't know of its digital and adaptive learning efforts.

**Southwest**

**Preferred PR**, Las Vegas/Batali & Bastianich Hospitality Group, as AOR for PR and promotional efforts for its four Las Vegas restaurants – B&B Ristorante, Otto Las Vegas, Carnevino and B&B Burger & Beer – in the Venetian Resort Hotel Casino and The Palazzo.

**West**

**McGrath/Power PR and Comms.**, San Jose, Calif./Mellanox Technologies, interconnect solutions for data center servers and storage systems, as AOR for PR, including including traditional media and analyst relations strategy and implementation, industry awards and tradeshow support.

## NEWS OF SERVICES

### SANDY HOOK SPOX KICKS OFF PRSA SERIES

PRSA/Westchester/Fairfield has launched an education program, SPOX Group, for PR pros who serve as spokespersons for their organizations.

The group's inaugural SPOX event Oct. 9 featured Lt. J. Paul Vance, Commanding Officer, Public Information Office, Connecticut State Police, remembered as a key voice after the Sandy Hook Elementary School shooting in December 2012.



**L-R: PRSA/Westchester/Fairfield board member Ken Korprowski; Lt. J. Paul Vance, Connecticut State Police, and chapter president-elect Anne Albanese.**

Vance offered these tips for how PR pros can best work with the media during a major crisis:

- Always remember that your first job is to protect the victim/s and their loved ones.
- Early on, set the ground rules for media. Inform them on where and when you will be updating them with information.
- Partner with the media. Establish a rapport and relationship to not only help provide them with the tools they need to do their job, but to also ensure all the information being shared with the public is accurate.
- Assign one key spokesperson – and have that person be a part of all “inner circle” meetings.
- Treat all members of the media fairly. All reporters should be on an even playing field and provided with the same information.
- Separate the media from the crime scene when setting up your staging area for briefings.
- Establish a clear line of communication from your organization to the media and to the public.
- When speaking to the media in a crisis or tragedy be compassionate, but more importantly accurate—accuracy is key when addressing the media with any and all information.
- Be sure to document everything that happened during the crisis, so that information and facts are readily available in case any rumors or questions come up.
- Don't be afraid to say “I don't know” – but, then try to find out the information if possible before your next media update.
- Leverage your organization's website and social media site/s to provide accurate information to the public as appropriate (direct channel of communication).
- Use the smallest number of words (speak in sound bites) to ensure you aren't misunderstood.

## PEOPLE

### Joined

**Brian Wagner**, VP, McBee Strategic Consulting, to ScoutComms, Fredericksburg, Va., as a VP for the PR firm and Virginia Benefit Corp. advocating for veterans, military families and related organizations. Wagner was a managing director for BLJ Worldwide and senior director of policy and PA for the eHealth Initiative. He is currently a PAO in the US Navy Reserve.



**Wagner**

**Dan Benner**, digital art director, Discovery Comms., to Crosby Marketing Communications, Annapolis, Md., as a senior digital designer. He was an art director for Burson-Marsteller's Proof digital operation. Katie Kattermann, sr. proj. mgr., T. Rowe Price, joins CMC as senior integration manager.

**Laura Zabriskie**, dir. of comms./mktg., Commercial Vehicle Safety Alliance, to Stratacomm, Washington, D.C., as senior PR and marketing specialist. Amy Rigard, comms. coordinator, ManTech, joins as a comms. outreach specialist and joins Zabriskie on the Federal Motor Carrier Safety Administration account. Also, Kenneth Gayles, previously with the Solar Energy Industries Assn., joins as a senior A/E and Katie Hibson, sr. mktg. mgr., Tier10 Marketing, as an A/E.

**Robin Schwartz**, co-anchor of WJBK-TV Fox 2's weekend newscasts, to Bedrock Real Estate Services, Detroit, as PR director. Schwartz, 45, starts Oct. 20 for the owner of more than 60 properties led by Dan Gilbert, founder/chair of Quicken Loans.

**Sarah Brandon**, VP, consumer marketing, Edelman, Toronto, returns to Hill+Knowlton Strategies Canada, Toronto, as VP, national corporate development. She previously worked for H+K in the UK and Canada from 2000-2009 and earlier was an A/E for Rapp Collins Worldwide.

### Promoted

**Ann Wool** to president of Ketchum Sports & Entertainment, New York. The six-year Ketchum partner who joined in 2001 is elevated as the sports & entertainment unit forms a London operation, its second global outpost alongside Sao Paulo. Said Wool: “We have great momentum right now and look forward to expanding further as we look towards the 2018 Pyeongchang Winter Olympic Games and 2020 Tokyo Summer Olympic Games.”



**Wool**

**Tristan Simpson** to chief communications officer, Ready Pac Foods, Irwindale, Calif. Simpson joined the company in 2011 and was recently VP of corporate comms. She continues as company spokeswoman.



**Simpson**

**Scott Davila**, Natalie Smith and Janet Stacey to senior VPs, PadillaCRT, Minneapolis. Davila and Smith are based in Richmond, Va., while Stacey is based in the Twin Cities headquarters. Also, Tina Charpentier and Matt Sullivan were upped to VPs in Minneapolis.

## **CAPOZZI OUTLINES BID TO WOO MINORITIES**

Lou Capozzi, president of the PRSA Foundation, on Oct. 13 described efforts of the Foundation to increase minority participation in PR. Here are his remarks:

Last year Mickey Nall, 2013 PRSA chair, threw down the gauntlet, declaring diversity as a priority for PRSA, and Mickey's support has been a great help to us.

This year, 2014 chair Joe Cohen has built on Mickey's efforts and has given amazing support to the PRSA Foundation during his term as president.

When I'm here in Washington, among the imposing Federal Buildings, I'm reminded of the famous quote from the city's planner.

"Make no small plans," he said. "They have no magic to stir men's souls."

Well, we've got big plans at the PRSA Foundation. We're out there doing our best to make a difference.

With the help of thousands of PRSA members, and with the support of generous major donors, we made grants this year of over \$125,000.

We've built five diversity initiatives and we've launched two major research studies.

We're working to attract more ethnic and racial minorities, with a focus on African-American and Hispanic students, to encourage them to choose public relations as a career, and to make them better prepared when they get here.

Our profession has been dramatically under-represented in these key communities.

As you can see here, African-American and Hispanic Americans make up only about 10 percent of all public relations professionals, while they're 30 percent of the American population overall, and will grow to 50 percent by 2050.

For a field that has, at its core, responsibility to represent the interests of all stakeholders, this is something we've really got to do something about.

Our Foundation's diversity initiative is a multi-pronged effort called PRIME.

That stands for Public Relations Internship, Mentoring and Education.

We're working to help the profession truly represent the publics we serve, and to ensure we create an inclusive pipeline of the widest and best range of talent.

Our PRIME program reaches inner-city high school kids in Chicago with a summer camp program that offers them a working public relations experience, and exposure to this exciting and growing field as a career option.

We've got a bi-lingual writing program at San Diego State to prepare Spanish Language students with the ability to write for the media equally well in both Spanish and English. We support Graduate Students of Color, to help them advance in their academic careers and become mentors for others.

And we've funded two broad-based studies to gather data on the challenges minorities face in entering the profession, and their experiences once they get here.

But perhaps most important is our partnership with the United Negro College Fund, to build a program for students in Historically Black Colleges and Universities.

It's called the PRIME Scholars Program.

We're working with UNCF to improve the PR programs in their schools, to recruit more talented students to those programs, and to make the students better prepared to compete for, and succeed in, internships, fellowships and eventually jobs.

All this work takes money, and we look for every opportunity to raise more.

## **NJ TOWN ROCKED BY HAZING HIRES ABMAC**

The Sayreville School District in New Jersey is working with Abernathy MacGregor Group on crisis communications as administrators cope with a football hazing scandal drawing national attention.

Sayreville War Memorial High School blazed into the news cycle last week after superintendent Richard Labbe cancelled its football season amid reports of sexual abuse and harassment among students in the football program.

The *Star-Ledger* reported Oct. 15 that Labbe stopped returning phone calls and text messages from reporters on Oct. 14.

Abernathy MacGregor is now handling media inquiries, reportedly under an agreement with the school district's insurer. The firm has previously said its crisis engagements for insurers can speed up resolution of a crisis, "moderate ill-will" and reduce costs and the likelihood of litigation.

The football scandal has rocked the central New Jersey community. The episode been spun into an ongoing narrative over college hazing and violence in professional football, extending its stay in the news cycle.

Seven football players – all juveniles – have been charged with aggravated sexual assault, conspiracy and hazing, among other charges.

New York-based Abernathy is part of Havas.



## **EMBATTLED CHARTER SCHOOL INVITES PITCHES**

An 11,000-student, \$100M Pennsylvania cyber charter school sanctioned by the state has cast a net for PR proposals after a high-profile criminal probe and calls for reform.

The Midland, Pa.-based Pennsylvania Cyber Charter School has grown steadily over the past decade with satellite offices in eight cities.

But it has taken some PR hits over the past year, including the ongoing federal criminal case against founder Nicholas Trombetta, who was indicted on fraud charges in an alleged scheme to siphon \$1M from the school.

In April the K-12 school's teachers voted to unionize and Gov. Tom Corbett has called for reform of the state's charter school program.

The PR work encompasses public, community and government relations, research and communications, and media relations, among related outreach and tasks, according to an RFP released Oct. 13.

Proposals are due Oct. 31. RFP: <http://bit.ly/1tERVCB>.



**Trade organizations, including PRSA and NAPL** (the printing org whose CEO Joe Truncale will join the Society on Jan. 12, 2015), are poor and late financial reporters. Top staffers make far more than members.

Both the PR Society and National Assn. for Printing Leadership have yet to file their IRS Form 990s for 2013, forms that were originally due on May 15. The only figures we have are from 2012. Final deadline is Nov. 15.

There is no excuse for such tardiness which is rampant in the non-profit sector. If companies doing hundreds of billions can report results in the second week of January, so could the non-profits if they wanted to.

The non-profit sector needs a Sarbanes-Oxley but no legislator would dare challenge 10,000+ trade orgs any more than one would propose an increase in the gas tax which has been unchanged at 18.4 cents since 1993.

A modest rise would eliminate the need for toll roads throughout the U.S. and replenish the Highway Trust Fund. A gas tax is 22X as efficient in collecting money as toll roads.

#### **990s Show Finances, Staff Pay Packages**

Non-profits are tight with their 990s because they are publicly available while their audits are private. The PR Society last year yanked the web privileges of a member suspected of giving the audit to the O'Dwyer Co.

The 990s, almost never filed by the first deadline of May 15, not only have all the data from the audit but the pay packages of staffers making more than \$100,000. Usually filed late in the year with the IRS, they are not available on GuideStar until months later. PRSA's 990 for 2012 was not on GuideStar until January, 2014.

The Society usually delivers a printed copy to our desk a few days after the annual conference. However, this year no such copy arrived. VP-PR Stephanie Cegielski is unable to provide it.

The 2012 Form 990s of PRS shows that resigned CEO Bill Murray made \$423,000 including \$61,000 bonus (although revenues were lower than when he arrived in 2007). NAPL's Truncale was paid \$303,080. William Woods, listed as "former senior VP" at NAPL, made \$350,000. The top six execs of NAPL took \$1,457,190 of the total payroll of \$2,035,454.

Even more interesting is the \$24,026,492 in "other assets" that is said to be an "investment in NAPL Foundation." It is listed on NAPL's balance sheet as an "unrestricted net asset" along with publicly traded securities worth \$2,824,859, down from \$4,115,215 in the previous year. Perhaps that \$24M should be returned to the members. We can't find any info on the "NAPL Foundation."

#### **NAPL Now Part of AMSP/NAPL/NAQP**

NAPL, which was merged last year with the Assn. of Marketing Service Providers (previously the Mailing and Fulfillment Service Assn.), had 2012 revenues of \$3,528,388, down from \$4,904,140 in 2011. AMSP is much smaller with revenues of \$1,549,344 in 2012.

Also part of a new grouping using the name AMSP/NAPL/NAQP is the National Assn. of Quick Printers, which is part of the NAPL network and does not

appear to have its own 990 or financial report.

Kenneth Garner, CEO of AMSP, will succeed Truncale as CEO of AMSP/NAPL/NAQP on Jan. 12, 2015. The group is in the process of picking a new name. Garner's pay package for 2012 totaled \$189,075 and included \$159,786 base pay, retirement/deferred of \$14,400, and nontaxable benefits of \$14,889.

#### **Some "Non-Profits" Loaded with \$\$**

Other non-profits are loaded with cash built up over the years since they don't pay any taxes except on unrelated business income.

Prime example is the Committee to Protect Journalists, which does a good job of protecting itself from coverage. Its main fund-raising event, a black tie dinner in the Waldorf-Astoria for 900 that raises about \$1 million, will take place Tuesday, Nov. 25. CPJ, 330 Seventh ave., New York, is almost 100% focused on violence and persecution of journalists abroad.

Net assets as of Dec. 31, 2012 are \$14,464,531, which includes \$10,401,229 in public securities and \$3.1M in cash and pledges. "Permanently restricted" is \$9.5M and "temporarily restricted" is \$4.2M. Executive director Joel Simon was paid a total of \$206,302 in 2012; director of development John Weis, \$157,737, and deputy director Robert Mahoney, \$151,930.

#### **Independent Sector, ProPublica Also Well Off**

The Independent Sector, 500 non-profits (401/c/6 trade groups and 401/c/3 charities) had \$31,252,314 in net assets as of Dec. 31, 2012. This included \$13,176,512 in cash, savings and pledges and land and buildings worth \$31M on which there is a bond of \$14.9M.

CEO Diana Aviv's 2012 pay package was worth \$586,583; Terri O'Brien, SVP finance/CFO, \$187,905; Lois Fu, VP, \$246,935; Claire Wellington, SVP planning & learning, \$188,037, and Michael Goff, SVP/development, \$154,820.

Easily topping the above in pay packages are staffers of ProPublica, whose latest 990 available on GuideStar is for 2012. It was filed Aug. 8, 2013.

The packages of nine staffers listed total \$2,702,295 or an average of \$300,255. Bringing up the average is the \$584,924 paid to president and editor-in-chief Paul Steiger, former managing editor, Wall Street Journal. He held the posts at ProPublica from 2008-2012 when he retired. He was chair of CPJ from 2005-10.

Stephen Engelberg, managing editor, was paid \$391,758; Richard Tofel, treasurer, secretary and general manager, \$363,600; Debra Goldberg, VP/development, \$260,135, while four others made \$200K plus and one made \$191K. Revenues were \$10.9M and expenses, \$9,884,450. Net assets were \$4,410,365.

ProPublica was created by Herbert and Marion Sandler who sold Golden West Financial to Wachovia in 2006, earning the headline "Deal from Hell" in the July 22, 2008 WSJ (because of GWF's many bad mortgages). They committed \$10M a year to ProPublica although many others are now donors. The Sandlers gave \$5M in 2011 and \$4M in 2012 (latest years available).

— Jack O'Dwyer