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# O'Dwyer's Newsletter

The Inside News of  
PR and Marketing  
Communications

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## EMPIRE STATE REVIEWS 'I LOVE NEW YORK'

New York's economic development agency has kicked off a review of PR for its "I Love New York" campaign, a year after Gov. Andrew Cuomo pledged \$60M for the iconic marketing push.

The New York State Dept. of Economic Development released an RFP on Oct. 17 for a PR firm with experience "managing highly recognized brand names" and destinations to widen exposure of the tourism campaign and "translat[e] the brand awareness into action."

Finn Partners' M. Silver is the incumbent firm. Outreach to consumers, media, stakeholders and other groups, as well as trade show support, crisis management and other PR tasks are covered in the scope of the contract.

Cuomo in May 2013 said he would commit \$60M to the state's division of tourism to re-launch the campaign, which originated in 1977 and suffered from "dormant" funding in recent years.

Tourism is a \$95.4B industry in the state.

Deadline: Nov. 12. RFP: <http://bit.ly/1typk16>.



## NATIONAL CANCER INSTITUTE TO REVIEW PR

The National Cancer Institute plans to review its multimillion-dollar PR account handled by Ogilvy PR for the past five years.

Ogilvy's contract, won in 2008, expired last fall but projects resulting from that work have continued through this month. The NIC, part of the National Institutes of Health, is planning to award Ogilvy/Washington a four-month bridge contract through January 2015 to give it time to review the account.

The PR work covers a swath of communications duties like media relations and public affairs support.

Last year, two committees in the US House of Representatives said they would probe PR spending at the NCI's \$45M office of communications.

## BOUDREAU OF FH JOINS AARP

Martha Boudreau, a more than 25-year veteran at FleishmanHillard and leader of its Washington operation, has joined AARP in the new post of executive VP & chief communications and marketing officer.

She served as president of the Omnicom unit's mid-Atlantic and Latin America regions.

AARP has more than 37 million members.

## INTERPUBLIC PR, NET INCOME RISE

Interpublic's PR-heavy Constituency Management Group posted a 14.3% rise in third quarter revenue to \$376.5M, including organic growth of 9.9%.

Overall, revenues at the marketing conglomerate increased 8.3% to \$1.8B for the quarter as net income nearly doubled to \$92.8M.

CEO Michael Roth is "pleased with the strong growth in revenue and profitability," which he said "reflects the competitiveness of our agencies and the high quality of our people and our offerings in all marketing disciplines around the world."

Interpublic's CMG unit includes firms like Weber Shandwick and Golin, in addition to Octagon, Future-Brand and Jack Morton, among others. Its advertising operation saw 6.8% growth to nearly \$1.5B for the period with organic growth of 5.5%.

Weber Shandwick's Andy Polansky told *O'Dwyer's* that PR registered "double-digit" growth and once again "outperformed our holding company competition." He credited a "resurgence in the technology group" and continued robust gains in consumer, corporate and health-care. New York, Chicago and DC were especially robust.

IPG debt is \$1.76B against \$902.4M in cash.

## MOWER ACQUIRES MIDDLETON & GENDRON

Upstate New York ad/PR agency Eric Mower + Associates is acquiring 36-year-old NYC-based luxury, hospitality and lifestyle PR shop Middleton & Gendron to expand its regional and national ambitions.

"The addition of an office in the nation's largest city, the world's financial capital, and the global center of marketing communications and public relations continues EMA's strategic expansion," said Eric Mower, chairman/CEO of the Syracuse-based agency with outposts in Buffalo, Rochester, Albany, Cincinnati, Atlanta and Charlotte.



Middleton, Gendron

The combined entity will count 250 staffers and 2014 billings of nearly \$250M.

M&G president Mary Gendron said her firm will be better equipped to meet client needs and offer new services. Gendron and chairman Yvonne Middleton, both former journalists, founded the firm in 1978. Clients have included Trump Hotels, FAO Schwarz, Singapore Airlines and Mohegan Sun.

SGP Worldwide introduced the firms. The deal is expected to close on Nov. 1.

## **LEVICK JOINS TEAM SRI LANKA**

Washington's Levick is the most recent addition to the PR/lobbying firm team trying to bolster the reputation of human rights-challenged Sri Lanka.

The firm has a \$60K monthly agreement to represent the Central Bank of Sri Lanka under a subcontract with Liberty International Group, which is owned by Florida politico Connie Mack.

Liberty has a one-year contract worth \$760K to market the message that Sri Lanka "suffered a long and brutal war" against the Tamil Tigers rebel group and receives "unbalanced" media coverage that is "unfair, unwarranted and overshadows the impressive post-war socio-economic achievements of Sri Lanka."

The Bank calls itself a "semiautonomous financial institution" of the government.

Levick's duties include outreach to American media, opinion leaders and possibility government officials on issues important to the Bank. It is working on a month-by-month basis.

Andrew Ricci and Patrick Hillman handle the effort.

Levick joins Burson-Marsteller, which has a \$900K annual contract, and Madison Group (\$25K monthly retainer) in burnishing the image of Sri Lanka.



## **EX-CONGRESSMAN DOES DELOITTE**

Former Brooklyn Congressman Edolphus Towns is advising Deloitte Consulting on financial services and employment matters.

The 80-year-old Democrat was ranking minority member of the Oversight and Government Reform Committee when he decided not to seek re-election in 2012.

He also was on the Energy and Commerce Committee and a member of the Congressional Black Caucus.

Towns' work for Deloitte is via Gray Global Advisors. That business consulting shop was the firm of the late William Gray, ex-Pennsylvania Congressman and CEO of the United Negro College Fund.

Gray died last year at the age of 71.

## **EBOLA DRUG DEVELOPER HIRES SPB**

Hemispherx Biopharma has hired Squire Patton Boggs as its global government relations firm to pursue distribution opportunities for its two Ebola drugs.

The DC lobbying powerhouse will focus on outreach to officials in Africa, Europe and the US.

Tom Equels, executive vice chairman of the Philadelphia-based firm, said SPB is promoting Hemispherx's experimental drug Ampligen as well as FDA-approved drug Alferon N as potential therapeutics for Ebola.

"This strategic alliance will dramatically enhance our future efforts to try to save lives and alleviate human suffering resulting from these lethal worldwide threats," he said in a statement.

SPB has offices in 21 countries.

## **H+K's MANKIEWICZ DIES AT 90**

The legendary Frank Mankiewicz, who made his PR mark at Bob Gray's Gray & Co. in DC and as chairman of Hill & Knowlton, has died from massive heart failure. He was 90.

As press secretary for New York Senator Robert F. Kennedy, he made his mark on the national stage. It was Mankiewicz who announced the assassination of Kennedy during the 1968 presidential campaign.

The lawyer-by-training first met RFK while serving as Peace Corps director in Peru.

Mankiewicz went on to manage George McGovern's presidential bid and run unsuccessfully for Maryland Congressional seat. In 1977, he became president of National Public Radio, tripling its listener base during a seven-year stint. Born in Beverley Hills, Mankiewicz's father, Herman, co-wrote "Citizen Kane."

H+K vice chairman Tom Hoog posted a tribute to Mankiewicz on H+K's website.

## **FAHLGREN SADDLES UP THE COWBOY STATE**

Wyoming's Office of Tourism has put Columbus, Ohio-based Fahlgren Mortine in the PR saddle.

Fahlgren won a competitive pitch process to serve as the state's first AOR for tourism PR on a \$300K contract. The independent firm beat two other finalists in a September pitch, culled from among eight total proposals submitted to the tourism entity.

Previously, PR duties were mostly tackled in-house or under Wyoming's tourism ad agency, Barnhart Communications of Denver.

Fahlgren bolstered its tourism PR savvy with its January acquisition of Turner PR, Denver, a travel specialist versed in the outdoor recreation activities offered in Wyoming, which include skiing and rafting, as well as Yellowstone and Grand Teton National Parks and Devils Tower and Fossil Butte National Monuments.

Wyoming uses MMGY for interactive marketing and Cheyenne-based Rocky Mountain International on a six-figure contract for global tourism marketing alongside Montana, North Dakota and South Dakota.

## **FAILED ST. LOUIS SCHOOL DISTRICT EYES PR**

The north St. Louis school district dissolved by the state of Missouri in June after poor performance and reborn as a collaborative in a controversial move has been looking for a firm to handle all PR and communications.

The Normandy Schools Collaborative released an RFP earlier this month for a PR to start in late November and service the district through the end of the fiscal year in 2015. The collaborative wanted PR counsel, a designated account rep available 24-7, crisis communications support, and media relations, among other duties.

The collaborative emerged from a contentious, two-year battle between state officials and administrators over the district's underperforming schools, which serve 24 municipalities in an area the *St. Louis Post-Dispatch* described as 97% African-American.

Michael Brown, whose shooting death by a police officer in August sparked riots and protests in nearby Ferguson, Mo., was an alumni of Normandy High School.

**BRADLEE DIES AT 93**

Ben Bradlee, who guided the *Washington Post* through its Watergate coverage that brought down Richard Nixon, put the paper on the national radar screen and inspired a generation of journalists, died Oct. 21 of natural causes.

He was 93. In Bradlee's Post obituary, Robert Kaiser wrote: "From the moment he took over The Post newsroom in 1965, Mr. Bradlee sought to create an important newspaper that would go far beyond the traditional model of a metropolitan daily.

"He achieved that goal by combining compelling news stories based on aggressive reporting with engaging feature pieces of a kind previously associated with the best magazines. His charm and gift for leadership helped him hire and inspire a talented staff and eventually made him the most celebrated newspaper editor of his era."

Bradlee was a Boston native and Harvard graduate who served in World War II in the Pacific. He landed at the Post in 1948 but left in 1951 for a stint as press attache at the US Embassy in Paris. He returned to journalism in 1953 with *Newsweek* and eight years later pitched Post publisher Philip Graham on buying the news-magazine, which he did.

Bradlee retired from the Post newsroom in 1991.

"For Benjamin Bradlee, journalism was more than a profession — it was a public good vital to our democracy," President Barack Obama said in a statement.

**Calls Out 'Flack'**

The Post on Oct. 23 reprinted a 1990 letter from Bradlee to "flacks" on Oct. 22, after a DC PR pro apparently hounded the paper for a story on a retiring lion tamer.

"We need no help from flacks -- whether or not they are called communications consultants -- to advise us on out-of-town assignments, or, for that matter, in-town assignments," Bradlee wrote to Julian Read of Read-Poland Associates.

The journalism giant also mocked the pitch for apparent delusions of grandeur. "Whom are we talking about here? General Eisenhower? Jonas Salk?" he asked of a pitch that expressed a desire to place the lion tamer "in the annals of journalism for a historic personality."

**AMC NETWORKS TAKES BBC AMERICA STAKE**

AMC Networks is investing \$200M for a 49.9 percent stake in BBC America, which is part of British Broadcasting Corp.

The New York-based parent of cable networks AMC, IFC, SundanceTV, WE tv, and IFC Films will assume operational control of BBC America including affiliate and advertising sales.

About 80M US households receive BBC America, watching shows such as "Doctor Who," "Orphan Black" and "Top Gear."

The partnership also calls for AMC to represent BBC World News for distribution and ad sales. That

service goes into 30M US homes.

Josh Sapan, CEO of AMC, called the BBC one of the most recognized, trusted and respected brands in the world.

"A combined AMC Networks-BBC AMERICA channel group creates a powerful collection of networks that are among the most critically acclaimed, with distinct dramas and other potent content that creates a deep connection with viewers," he said in a statement. "Our content rises to the top on many levels and is particularly well-suited to an era of on-demand viewing and expanding consumer choice."

AMC enjoyed a 37.6% rise in 2Q revenues to \$522M. Operating income slipped 47.6 percent to \$129M largely due to a \$133M litigation gain during the previous year's quarter.

In July, the company re-branded its international programming under the AMC Networks International banner. The move covered AMC/Sundance Global and Chellomedia, which reach 140M homes overseas.

Cablevision spun off AMC in 2011.



Bradlee

**MCGLONE EXITS PILOT FOR WI PR POST**

Meredith McGlone, senior editor for *The Virginian-Pilot* in Norfolk, is heading to PR and the Midwest to direct news and media relations for the University of Wisconsin-Madison.

Dennis Chaptman, another former journalist, retired from the university communications post in July after 11 years.

McGlone, who will be assistant director, makes the move starting Dec. 1. She spent 16 years at The Pilot, including as reporter, city editor and military editor before taking on the senior role.

The Illinois native said in a news release that she is the daughter and granddaughter of UW grads.

John Lucas took the communications reins at UW in June, when he was promoted to executive director.



McGlone

**TIMES COLUMNIST APOLOGIZES**

*New York Times* columnist Ross Douthat apologized Oct. 22 for appearing at a fundraiser for the Alliance Defending Freedom, a legal activist group critical of homosexuality.

Douthat told Media Matters he did not know the event was a fundraiser and that he was invited by an events organizing group, not ADF itself. The columnist said he understood the event to be a "public conversation about religious liberty," adding: "This is my fault for not doing my due diligence, and I will declining the honorarium."

Media Matters called ADF "one of the most extreme anti-gay legal groups in the country."



## **MEDIA NEWS**

### **NBC LAUNCHES LONG-FORM SPORTS PORTAL**

NBC has launched a long-form sports news site, NBCSportsWorld.com, featuring the world of veteran *Sports Illustrated* columnist Joe Posnanski and others in the vein of ESPN's Grantland.com.

The portal, named after an NBC Sports TV show from the 1980s, went live on Oct. 16 with features on golf legend Payne Stewart, the 23-year-old world long-jump record, and a Bob Costas interview with Peyton Manning.

Other contributors include Joe Prince-Wright of ProSoccerTalk.com and Nick Zaccardi of OlympicTalk.com.

In addition to long-form writer pieces and interviews, the microsite will host documentaries and other video features produced by NBC Sports Group.

### **YAHOO POSTS REVENUE GAIN**

Yahoo CEO Marissa Mayer reported a one percent increase in Q3 revenues to \$1.1B, which is only the second gain in sales for the last six periods.

She called the performance a "good, solid third quarter."

Mayer cited robust advances in mobile, social, native and video, offset somewhat by "industry headwinds in some of our large, legacy businesses."

She singled out the more than \$200M in mobile revenues, calling it "now material."

Mobile products are "attracting praise and engagement from users and industry awards, they are generating meaningful revenue for Yahoo."

Yahoo's net income soared to \$6.8B from \$296M due to the \$10.4B gain from the sales of shares in Alibaba.

That windfall drove Yahoo's tax tab to \$4B from \$31.9M.

Yahoo has cash and marketable securities of \$12B, up from \$5B a year ago.

### **BLOOMBERG SNATCHES BIZ INSIDER PRO**

Joe Weisenthal, executive editor of *Business Insider*, will join Bloomberg Nov. 10, to spearhead development of a financial and money markets site.

He'll also host a TV show.

The former analyst joined Henry Blodgett's *Business Insider* in 2008 and he was upped to executive editor last year.



**Weisenthal**

### **TOYS R US DROPS 'BREAKING BAD' TOYS**

Under pressure from media coverage and an online petition, Toys R Us said Oct. 21 it will pull "Breaking Bad" action figures from its shelves.

"Let's just say, the action figures have taken an 'indefinite sabbatical,'" said a brief statement from the Wayne, N.J.-based retailer.

A Florida mother, Susan Schrivjet, started a change.org petition this month that garnered more than 9,000 signatures urging Toys R Us to drop the dolls,

which included guns, bags of cash, and toy bags of methamphetamine as accessories based on the popular AMC series.

Media picked up the story en masse last week. Toys R Us, which sold the toys through a deal with Sony Pictures Television, told FOX Florida affiliate WFTX on Oct. 14 that the action figures were carried "in very limited quantities" with packaging marked for ages 15 and up and located in the "adult action figure" area of its stores.

But the company reversed course a week with its one-line comment to the Associated Press about the "sabbatical."

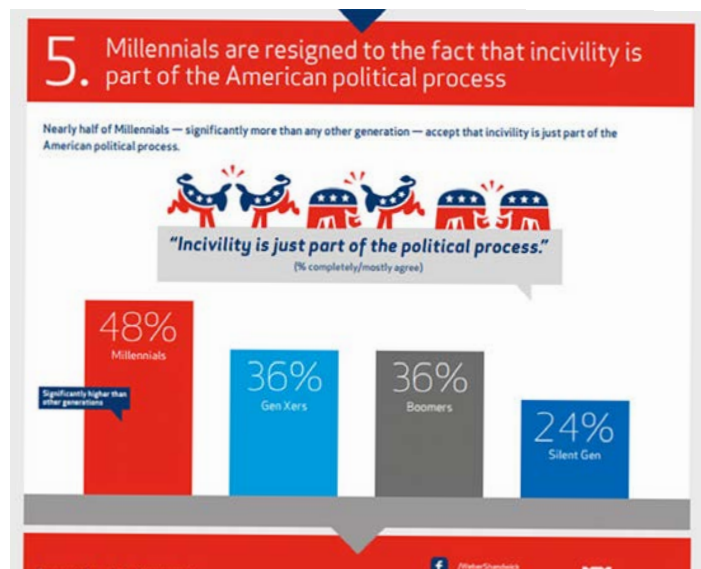
"Word on the street is that they were sent to Belize," wrote "Breaking Bad" actor Bryan Cranston on Twitter. "Nicely played Florida Mom."

### **YOUNGER PEOPLE SEE END OF INCIVILITY**

There's a generational divide on reasons for the national state of incivility; younger people finger the Internet and social media while older ones fault politicians for the state of affairs, according to Weber Shandwick/Powell Tate's annual "Civility in America" survey.

The millennial generation (people born in 1980 and up) expressed the most confidence that civility will improve over the next few years.

That optimism bodes well for the country's future, according to Jack Leslie, Weber Shandwick chairman.



He points out that the 83M-strong millennial outnumbers generations that came before it, calling it an economic and game-changing powerhouse.

"The only adult generation to have grown up with cyber-bullying is also the only generation to have a native understanding of the power of a digitally connected world to change things for the better," said Leslie in a statement.

KRC Research conducted the study.

**BRIEF:** CBS Outdoor Americas said Oct. 20 it will rebrand as Outfront Media as part of its of the transformation of the New York-based out-of-home media company. The company separated from CBS Corp., launched an IPO, converted to a REIT in July and acquired the outdoor assets of Van Wagner.

**NEWS OF PR FIRMS****NOURIE SEES EXPANDED ROLE FOR PR FIRMS**

Financial communications vet Phil Nourie has opened a new shop, NouriePR+, centered on B2B marketing communications and strategic counseling as he looks to widen the scope of PR counsel beyond traditional media relations and “upend” the PR agency model.

Nourie said he's serving middle market and well-funded start-up stage clients that PR firms have traditionally ignored or under-served as they rely too much on junior staffers providing uneven media relations services that are drying up. “Clients just aren't getting value that way,” he said. “PR firms in those markets never really got into marketing and business development advising,” he said, adding: “I'm not trying to compete with PR firms but I think there's value in a strategic counseling role coming from a media relations background.”

Nourie starts up with clients like registered investment adviser Warren Financial Service, REIT Kairos Real Estate Partners and the Arthur Ashe Learning Center, among others, providing services from business development counseling and content creation to digital services and advertising.

Nourie, who merged his six-year-old firm into the Financial Relations Board in 2007 and another start-up, Nourie Johnson, into Stanton PR in 2011, said he believes many media relations-centric firms are losing from 20 to 30 percent of that business a year, adding new work to replace shrinking budgets rather than address underlying issues.

The PR exec said he sees an agency model he dubs the “agency's agency,” similar to what some tech and pharma sales companies have pursued to boost revenue without the expense of full-time employees and the associated costs. He is working with PR firm and M&A adviser Art Stevens on that effort.

He added: “Attaining the kind of profitable clients agencies want today is no longer about knowing the right people; it's far more complex than that.”

**ICF TO ACQUIRE OLSON FOR \$295M**

Consulting firm ICF International has moved to acquire Minneapolis consumer ad/PR/digital agency Olson for \$295M in cash.

Olson, with 545 staffers, posted \$126M in revenues in 2013. In addition to its Twin Cities base, it has offices in Chicago, Toronto, Austin, San Francisco and New York. The firm will continue to operate under its name.

Fairfax, Va.-based ICF handles a wide range of services, from strategic communications and policy consulting, to IT solutions and management consulting.

Its major projects, many government based, included the Louisiana Road Home disaster relief project after Hurricane Katrina and consulting several regional governments about developing plug-in electric vehicle readiness plans.

Olson execs said they chose ICF over a number of potential suitors, including traditional ad holding companies, because it seemed like a complementary fit. CEO John Partilla called the deal “an additive and innovative move” that benefits clients and will drive growth of the agency here and abroad.

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

**Ketchum**, New York, and **Curley Company**, Washington, D.C./Aspen Dental Management, Syracuse-based business and administrative services for more than 450 independent dental care providers in the US, for corporate communications and public affairs, following a competitive pitch. Work includes rep management, consumer PR, employee and partner recruitment and retention, digital and stakeholder engagement. Jane Mazur, VP of corporate comms. and PA for ADAMI, cited Ketchum's oral health experience coupled with Curley's stakeholder engagement resume.

**J Public Relations**, New York/Biggest Loser Resorts, weight loss and fitness getaways in Amelia Island, Fla., Chicago, Malibu, Calif., and Niagara, N.Y. licensed by NBCUniversal; The Orlando Hotel; The Nantucket Hotel and Resort, and Winnetu Oceanside Resort (Martha's Vineyard), all for PR.

**Robertson Solutions**, New York/Central Coast (California) Tourism Council, for PR in North America. The firm previously worked with CCTC on a four-part television segment series for Australian morning show “Sunrise.”

**Simply the Best PR**, New York/Benjamin Mach, Australian fashion designer to be featured on Lifetime network's upcoming “Project Runway All Stars,” as AOR for national and regional media coverage and events.

**East**

**Calypso Communications**, Portsmouth, N.H./Mount Agamenticus to the Sea Conservation Initiative, for messaging, website design, and video projects. The group is working to add 6,000 acres of conserved land to the existing conserved open space in the greater Mt. Agamenticus region in southern Maine by 2032.

**Caster Communications**, Wakefield, R.I./Vutec Corp., maker of projection screens and AV accessories, as AOR for PR and social media targeting the residential and commercial AV marketplace.

**Southeast**

**Travelino/Keller**, Atlanta/Shavewise, start-up focused on men's grooming market to alleviate skin irritation after shaving known as barber's itch or Pseudofolliculitis Barbae, as AOR, and CustomerCentric Selling, sales training company that claims a methodology for predicting and improving revenue growth and performances for businesses, for PR.

**The William Mills Agency**, Atlanta/Fintech Forward 2014, an initiative of American Banker and BAI to rank the top vendors in banking, as AOR to promote the program to financial tech vendors, advise participating companies, and develop social media tools.

**Insider Media Management**, Boca Raton, Fla./University Research and Review, online service to help students choose a college or major, for PR.

**West**

**PMBC Group**, Los Angeles/Heard, social exchange platform app for online content sharing that allows users to be anonymous, for a national media relations campaign aimed to boost consumer awareness of the app and advance the company's business objectives.



**NEWS OF SERVICES****STEVENS FORMS PR FIRM ADVISORY SHOP**

PR and advertising sector M&A advisor Art Stevens has started his own consulting shop, The Stevens Group, while remaining a managing partner at SGP Worldwide.

Stevens said TSG will include a new digital practice focused on new media, social media and online marketing, in addition to his base disciplines in M&A facilitation, consulting, personal asset management, business development, profitability enhancement, operational streamlining, key employee retention, and leadership coaching and training for PR agencies.

Stevens said he'll remain at SGP "into the foreseeable future" overseeing its present merger, acquisition and consulting clients. He founded and ran New York-based LobsenzStevens through its acquisition by Publicis Groupe and is the author of "The Persuasion Explosion."

Info:theartstevensgroup.com.

**PRSA/OC CONTINUES DIVERSITY STREAK**

PRSA's Orange County (Calif.) chapter won the national group's annual diversity award at its international conference earlier this month.

It was the OC chapter's ninth win – eighth consecutive – in the 10 years since the award was established.

In addition to participating in local diversity programs and hosting networking events, the chapter held its 10th annual Diversity Forum with the theme, "Moving the Needle: Exploring the Past Decade of Diversity in Business, PR and Communications," covering topics like PR for the LGBTQ market, hiring a diverse workforce from an HR perspective and diversity in higher education.

Matt Prince, PR + newsroom manager for Taco Bell, is chapter president. "The continued education of our



**Current and past chairs of the OC/PRSA Diversity Committee: (l to r) Pamela Crouch, 2014 chair; Laarni Dacanay, past-chair 2009; Bridget Jackson, past-chair 2010, and Angela Burrell, past-chair 2011-2013.**

members is our highest priority, and year-after-year, the diversity committee presents beneficial programming to not only our chapter, but also to communications and business professionals throughout the region," he said.

**PEOPLE****Joined**

**Nicole Schoenberg**, senior VP at FleishmanHillard, to MWW, New York, as SVP in its corporate reputation practice. At FH, she handled Citi's North American Consumer Bank and earlier counseled Nationwide Financial, MF Global, Aviva and Lind-Waldock. She was lead counselor to General Motors during its 2010 public stock offering.



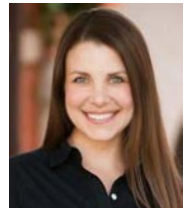
**Schoenberg**

Earlier, she was in-house corporate PR person for Telephone & Data Systems and SPSS, which is now part of IBM. Schoenberg began her career at Ogilvy PR.

**Audrey Evensky Brantz**, manager of North American marketing and PR for Sassoon, to Delucchi Plus, Washington, D.C., as director of PR, leading accounts including Sassoon.

**Jesse Hiestand**, communications director, Alliance of Motion Pictures & Television Producers, to FX Networks and FX Productions, Los Angeles, as director of corporate comms. His AMPTP tenure included the Writers Guild strike in 2007-08 and he previously handled PR for the Directors Guild of America.

**Angela Smith Ballard**, doctoral candidate and adjunct professor, University of Tennessee at Chattanooga, to Derryberry PR, Chattanooga, as a member of the firm. She was chief learning officer for WTCI, director of marketing and PR at Chattanooga Goodwill Industries and president of Originality PR.



**Ballard**

**Laura Peterson**, corporate comms. manager, Keurig Green Mountain, to the Vermont Agency of Commerce and Community Development, Montpelier, Vt., as communications director for the Vermont Department of Tourism and Marketing, leading tourism media and trade relations.

**Jessica Endress** and **Jason Hoehnen**, both directors at Rosetta, to Point To Point, Cleveland, as VPs and A/Ds.

**Katie Lee Pollack**, manager of brand experience, DigitalLBI to Magrino, New York, as director of digital marketing. She was previously at Edelman.

**Andrew Thompson**, freelancer for Thorn Run Partners, to Hope-Beckham, Atlanta, as an A/E on accounts like Pacaya Ecolodge for Dave Allman and Emory Univ.

**Promoted**

**Tiffany Cook** to lead consumer strategist for North America, Waggener Edstrom Communications, Seattle. Cook, a 15-year WagEd vet, leads the firm's overall consumer efforts and oversees the consolidation of accounts across retail, consumer technology, automotive and spirits like Volvo, Microsoft, Skype, and Woodford Reserve. She reports to partner and co-founder Pam Edstrom.

**Chris Collette** to Hill+Knowlton Strategies, Toronto, as senior associate focused on business development and PA shuttling between Toronto and Dublin. He ran his own shop for the past seven years and earlier was a Liberal Party adviser.



**Cook**

### **OMNICOM PR UNITS RISE 3.3%**

Omnicom reported 3.3% growth across its PR operations in the third quarter 2014 on revenue of \$343.3M.

Across the board, the marketing conglomerate saw revenue rise 7.4% to top \$3.7B for the period, including 10% growth in the US to nearly \$2B. Overall net income jumped 24.4% to \$243.8M. Organically, PR operations like Ketchum, Porter Novelli and FleishmanHillard climbed 2.5% for the period.

Newly minted CFO Philip Angelastro took part in his first quarterly earnings call in the new post since replacing longtime finance chief Randall Weisenburger. Angelastro said OMC's PR strength for the quarter came from strong performances in the US and Germany.

Other OMC PR units include Mercury, Cone, Kream Gavin Anderson and Marina Maher.

Omnicom debt stands at \$3.8B against \$850M in cash and short-term investments. It burned through cash buying back shares -- 11.7M since May -- resulting in "net debt" increase to nearly \$3B, up from \$2.5B in 2013. Through the first three quarters, Omnicom's PR operations are up 3.9% (2.6% organically), topping \$1B in revenue.

For comparison, OMC took a \$28.1M hit during Q3 in 2013 related to its failed merger with Publicis.

### **LEVY TAKES EYE OFF BALL AT PUBLICIS**

Publicis Groupe reported a one percent rise in organic growth to \$2.2B during Q3 as "management was too focused on other plans and not enough on the short-term performance and growth," according to CEO Maurice Levy, who adding that organic growth failed to match expectations.

The French ad/PR company's \$35B mega-merger with Omnicom collapsed in May.

During his conference call, Levy took responsibility for the Omnicom deal and said Publicis is now paying the price. He remains positive about the future, buoyed by a nine percent advance in digital revenues, which now accounts for 42 percent of total business, and big wins such as Samsung.

Clients, he noted, will be confronted by the digital transformation of their business models, and Publicis stands ready to guide them to the future.

He expects the rest of the year will play out like the first nine months.

### **EX-FORD PR CHIEF ALLEGES PHONE TAPPING**

Jason Vines, who led communications for Ford in the early 2000s during the Firestone tire crisis, alleges in a new book that the company tapped his phone and car with surveillance devices during the crisis.

Waldorf Publishing sent the *Detroit News* an advance copy of Vines' new book, "What Did Jesus Drive? Crisis PR in Cars, Computers and Christianity," in which he writes that a Ford security official told him his office and vehicle were bugged.

Ford was reportedly concerned about leaks to the *New York Times* during the massive Firestone tire recall crisis connected to deaths in Ford Explorer vehicles.

Vines alleges that Ford general counsel John Rinta-

maki turned up the radio in his office during a meeting with Vines, telling the PR exec that "they're listening."

Vines was fired with CEO Jacques Nasser in late 2001 and Vines alleges that Ford executive chairman Bill Ford Jr. was the Times leaker, hastening the executives' exit.

Current global corporate communications manager for Ford, Susan Krusel, told the *Detroit News* that the company is "not aware of anything of this nature happening" and noted the crisis took place more than a decade ago under "very different leadership" at Ford.

### **EMBRACE DISRUPTION, PR COUNCIL TOLD**

Disruption is a survival skill vital to move a company, brand and communications forward, according to panelists at the Oct. 23 PR Council's annual critical issues forum, who agreed that complacent organizations will fall to the next wave of challengers.

Simplicity is at the heart of disruption, which is fundamental to the running of successful companies.

Gail Heimann, president of Weber Shandwick, who moderated the lively session, introduced the trio of guests as the Mount Rushmore of disruptors.

David Hantman, global public policy head of Airbnb, said his company enables people to use what they have more efficiently and provides choices. For instance, Airbnb gives hosts the cash to follow dreams and pursuits.

Airbnb has disrupted the traditional hospitality market and changed the basic expectations of travelers. Travelers "interact with others" via the online accommodations service.

Hantman, a veteran of Capitol Hill, said the initial instinct of legislators is to protect the way things are currently done to avoid upheaval. He believes local governments—rather than fighting Airbnb's expansion into their markets—should ask why 10M people have used the service.

In Hantman's view, governments should work to promote transparency and traveller/host safety.

Peter McGuinness, chief marketing officer of Chobani, said the Greek yogurt company disrupted the status quo by simply marketing a product with real fruit and no chemicals.

The company, which helped drive share of Greek yogurt to 50 percent of the market, presented a different product to what customers were accustomed to.

McGuinness spoke of "disruption fatigue" and believes some components of a business cannot be tampered with because they go to the core of a brand's essence. The former ad man said communications always boils down to having a creative message that is well executed.

Bonin Bough, VP-global media & consumer engagement at Mondelez International, called himself a fan of constant change.

He said corporate structures that were built in the past limit growth and opportunity and must be revamped.

Unless complacent companies "change their cultures to compete" they will lose share to aggressive challengers, said the Mondelez executive and veteran of PepsiCo and Weber Shandwick.



**The Council of PR Firms, founded in 1998 mostly with ad/PR conglomerate funds and still dominated by them, is using “PR Council” as its new name. This echoes PRSA sticking with its failed APR program.**

We had suggested names like American Communications Counselors and Assn. of American Communications Firms when the subject came up a year ago. Most major professions start out with American including the American Bar Assn., American Medical Assn. and American Institute of CPAs.

The Council’s original name was American Assn. of PR Firms. Only eight of the 103 current members use “PR” in their names, down from 13 a year ago. None of the top 15 in the O’Dwyer rankings use PR and only six in the top 50 do so.

Since about a dozen specific practice areas have sprung up at firms in the past 20 years such as healthcare, tech, financial, foods/beverages, beauty/fashion, etc., other names might be Targeted Marketing Council or Council of Targeted Marketers. PR is seen by many members as too limiting.

One solution might be just using initials. The American Assn. of Adv. Agencies became the “4A’s” years ago to escape use of advertising. AARP was previously the American Assn. of Retired People (“retired” being the offending word).

Firms with such practices know their distribution channels, the leading competitors, industry problems and challenges, trade press, relevant social media, the legislative climate, and other aspects of the specialty.

The O’Dwyer Co. has tracked the emergence of such specialties since 1992, currently providing nearly 600 rankings in 12 categories.

Clients are able to shop for the specialists they need among the thousands of PR firms offering services. They can see year-to-year which practices are growing

Talking about PR in general is like talking about sports in general. Only a few generalizations are possible. Individual sports have to be examined on their own.

Jim Joseph, North America president of Cohn & Wolfe, said a CPRF committee thought “for a long time” about taking PR out of the name. What riles us is that Joseph said PR is about “engagement” when we find PR people are very choosy about with whom they “engage.”

Calls and emails Oct. 24 to Joseph, 2015 Council chair Christopher Graves of Ogilvy PR, and Ron Cappello of the Infinia Group, consultants on the name change, were not returned. So much for “engagement.”

### **Middleberg Says Ditch PR**

One of those urging the Council to drop PR is founding member Don Middleberg, who quit two years ago.

His Oct. 22 blog titled “PR Council’s Missed Opportunity,” commented on the Oct. 21 Stuart Elliott column in the *New York Times* that described the Council’s “soul searching” about its name.

Middleberg said he has spoken to his peers “countless times” about ditching PR to no avail.

The Council, he says, fails to realize that “social

media is now driving the bus and the PR agency model is becoming more and more outdated and broken.”

Washington, D.C. counselor Eric Dezenhall, who has authored *Glass Jaw* (meaning giant companies that can’t take a punch) says that the internet has made individual consumers “more powerful than ever—the ‘little guys’ can injure the ‘big guys’ who don’t have the will to fight little guys and don’t even have the tools to do it.”

The “rabble” (our term) is more coordinated and powerful than ever before.

Dezenhall describes numerous crises where “PR” has not been able to help because of the underlying facts (Penn State and child molesting charges; Tiger Woods crashing his car; BP’s oil spill; Carnival Cruise Lines wreck, etc.).

### **Most Orgs Don’t Have Crises**

While such crises take up a lot of air time and ink, most companies are concerned with selling their products and services and have not gotten themselves into any hot water. There is little that PR can do in quite a few crises, Dezenhall notes.

The expertise that firms have developed in targeted markets is what should be stressed. That is what clients are buying. The term “PR” is too often associated with spin and lying. The first few words of the Oct. 21 Elliott column are “Spin specialists are hoping to do some spinning on their own behalf...”

The former “PR Seminar,” the annual meeting of 150 bluechip corporate PR heads and execs of 20 major agencies, took PR out of its name in 2007. It inducted 35 new members in 2014—none of them having “PR” in their titles. PR on the corporate side has become identified with stonewalling and evasion. David Carr of NYT has written that executives “hide behind a wall of PR operatives.” Variety’s Peter Bart says “evasion overrules promotion” for publicists who have become “locked in their bunkers.” Gene Weingarten of the Washington Post says he is bombarded by PR people who can’t answer his questions.

### **PR Is Dead, Say Voices from Abroad**

Graves, Joseph, Cappello and other Council leaders should pay attention to what is being said about PR in other nations—which have more perspective on the situation. “PR Is Dead” is the headline on a five-page treatise in the January 2013 bulletin of the Centre for Corporate Public Affairs, Melbourne.

Author Wayne Burns, formerly with Hill+Knowlton, said PR is too identified with marketing and that corporate goals are more often obtained via legislatures and the political process.

Agreeing with Burns is Robert Phillips of the U.K. who is authoring a book called *Trust Me, PR Is Dead*.

Phillips until December 2012 was president and CEO, Europe, Middle East & Africa of Edelman, supervising 1,200 people in 19 offices in 14 markets.

Taking Edward Bernays as his nemesis, saying he fathered “a global industry of business and political propaganda,” Phillips says the new order belongs to the public which now has its hands on the tools of communication.

— Jack O’Dwyer