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O'Dwyer's Newsletter

The Inside News of
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ASIAN UNIT SPLITS FROM REELING BELLPOTT

Bell Pottinger's 50-member Asia arm has split from its scandal-tainted parent, rebranding as Klareco Communications.

Hong Kong-based Piers Pottinger, co-founder of BP, will helm the new entity named after the Esperanto word for "clarity."

According to a letter to clients, the Asia business is "entirely ringfenced and solvent." It emphasized the BP's Asian unit has always been a "separate entity" from the its corporate parent.

Klareco's teams are "intact, we continue to serve our clients and it is mostly business as usual."

BP's staffers in London last week were updated on the firm's dire financial condition, which may lead it into administration next year in the event a buyer isn't found.

The firm's travails stem from a racist campaign that it ran in South Africa for the controversial Gupta family.

That campaign triggered resignation of CEO James Henderson and BP's expulsion from PRCA, Britain's ethics watchdog.



Piers Pottinger

HOTWIRE ALUMS LAUNCH NEW TECH SHOP

A new tech-focused agency, SourceCode Communications, has opened shop in New York.

The agency, which was founded by former Hotwire senior vice presidents Greg Mondshein and Rebecca Honeyman, will cater to high-growth clients in the consumer and lifestyle tech, fin tech, mobile and enterprise technology sectors.

The Midtown-based agency, which has been open for only about a month, maintains a second location in Brooklyn's Dumbo neighborhood.

It has already managed to sign a handful of clients as well as partner with a premier marketing conference brand.

Mondshein, who was stationed in Hotwire's New York headquarters, led business development and marketing efforts for the US and UK-based tech PR specialist.

Honeyman, who also served as the New York office's general manager, oversaw campaigns across that firm's San Francisco and New York locations.



SourceCode Communications' Becky Honeyman & Greg Mondshein.

MOBERLY, MO ANNOUNCES TOURISM RFP

The City of Moberly, Missouri its seeking proposals from agencies that can create, develop and implement a campaign to promote the Randolph County city as a tourist and conference destination.

Scope of work includes branding and advertising targeting prospective travelers; event management (development of sales leads and activities to generate overnight stays in the city); website and social media management; market research; designing, printing and distributing posters, rack cards and print advertising as well as media kits for trade shows; creation of advertising and marketing budgets for city events and promotion activities as well as sponsorship and paid advertising securement for city events; and outreach to host tour operators and travel writers.

The campaign is slated to begin in 2018 with the contract running for one year, with two year-long options for renewal.

Proposals are due Monday, October 2, by 2:00 p.m.
[Download the RFP \(PDF\)](#).



ZIPKO MERGES WITH CONNOLLY KUHL

Zipko Strategy and Connolly Kuhl Group, St. Paul, MN-based shops, are merging under the name Velocity Public Affairs. The combined firm will focus on strategic planning, grassroots marketing and mobilization, government relations, marketing communications, coalition building and media relations.

"Velocity is an opportunity for both of our companies to build on what is already a strong partnership," said Mike Zipko, who founded his firm four years ago.

"We bring together a unique mix of media, business, government and political campaign experience that is incredibly important to help our clients," added Patrick Connolly and Carl Kuhl, who founded Connolly Kuhl in 2010.

Zipko has served as deputy communications director for Governor-elect Jesse Ventura's transition office and deputy press secretary for Minnesota Governor Arne H. Carlson.



(L to R) Mike Zipko, Patrick Connolly, Carl Kuhl

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ZIPKO MERGES WITH CONNOLLY KUHL

(Continued from pg. 1)

Connolly has worked on behalf of the Mayo Clinic, U.S. Senator Norm Coleman and the Minneapolis and Saint Paul Chambers of Commerce. Kuhl's experience includes positions as campaign manager, communications director, press secretary, field director and policy liaison.

Velocity will serve public sector, non-profit and industry clients across the upper Midwest.

QATAR REACHES OUT TO JEWISH COMMUNITY

Qatar has hired Stonington Strategies to a \$50K a month contract to strengthen its relationship with the US and build bridges to the Jewish community.

Nick Muzin, a doctor, lawyer and Republican strategist who is active in Jewish affairs, heads Stonington.

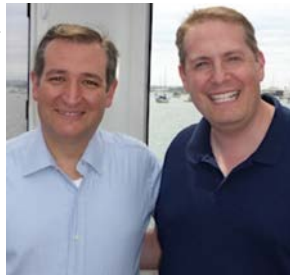
He was the driving force behind a coalition of more than 50 groups, including tea party, evangelical and Jewish organizations, to oppose the Iran nuclear deal.

"Engagement with Qatar can only be in the best interests of the United States and the Jewish community, as we cannot allow Qatar to be ostracized by its neighbors and pushed into Iran's sphere of influence," said Muzin.

He views Iran as one of the largest threats to US national security.

Muzin served as deputy chief of staff for Texas Senator Ted Cruz during his GOP primary run, counting outreach to the Jewish community among his responsibilities. He also was political director for South Carolina Senator Tim Scott and senior medical advisor to Senator John McCain.

For Qatar, which is under an economic and political blockade by Muslim states, Muzin will advise on ways to build a closer relationship with the United States and improve ties with the Jewish community worldwide.



Ted Cruz (L) & Nick Muzin

SIGNAL SIGNS PELOSI'S COS

Nadeam Elshami, chief of staff to House Democratic Leader Nancy Pelosi, will join Signal Group Oct. 16 as executive VP focused on the DC firm's government relations practice.

Eric Bovim, Signal's man aging director, called Elshami a "true PA pro" equipped with "intricate knowledge of the legislative process and how to use the media to influence that process in today's Washington."

Elshami, who was communications director for then-Speaker Pelosi, is in charge of the San Francisco Democrat's public outreach, policy, communications and member relations.

Prior to joining Pelosi in 2007, Elshami was senior communications advisor/spokesperson for Assistant Democratic Leader Dick Durbin, communications director for Rep. Jan Schakowsky and deputy and communications director to California Senator Barbara Boxer.



Nadeam Elshami

EQUIFAX FAILS OPENING ROUND OF CRISIS

By T.J. Winick, VP at Solomon McCown & Company



Since Equifax's bombshell disclosure last week that the personal information of 143 million people was compromised in a data breach between May and July, the company's response has been widely condemned.

It's a case study in why organizations can't merely go through the motions when it comes to a crisis response. Consumers, policy makers and the press are smarter than that. It's not enough to say "sorry" and offer a free "comprehensive package of identity theft protection and credit file monitoring."

Not only did it take Equifax a month after discovering the breach to notify the public, we're now learning that three of its executives sold nearly \$2 million in stock during that gap in time.

In addition, social media was abuzz with the revelation that consumers must, in fact, waive their right to sue Equifax or be part of a class action suit in order to check if their data was stolen. That's downright offensive. It demonstrates how Equifax doesn't truly understand or appreciate the corporate climate they are operating in.

Consumers demand genuine humility, honesty and transparency. Violating these demands is not just be bad for business, it could be illegal.

Rightfully so, New York's attorney general has already opened an investigation. For many consumers, the Equifax mess perpetuates the belief that big business consists of heartless fat cats looking out only for themselves.

This crisis resonates with just about everyone because credit monitoring services possess sensitive personal and financial information. One reporter called Equifax "a one-stop shop for potential identity thieves, with databases that include Social Security numbers, addresses, driver's license data and birth dates as well as financial records." That makes credit monitoring services ideal targets for hackers.

Consequently, we should expect and hold them to a higher standard when it comes to safeguarding our personal information.

Washington is weighing in. Senator Elizabeth Warren, who earned her reputation as a consumer champion, is tweeting that Equifax must be held legally responsible, while the House Financial Services Committee has announced hearings into the breach. This will guarantee Equifax's crisis remains in the news for days, if not weeks and months.

As the heat was being turned up, a story in the Sep. 8 *New York Post* suggested Equifax is now blaming their software provider for the data breach, thus violating another crisis communications commandment: Accept responsibly.

Yes, we can all be hacked. But it appears Equifax has no one to blame but itself regarding how it chose to respond and what lies ahead. That's disappointing, to say the least, for a company that claimed to be looking out for all of us.



RAPP SECURES REMAINING HIMLE RAPP SHARES

Todd Rapp, president of Minneapolis-based agency **Himle Rapp & Company, Inc.**, has bought CEO John Himle's ownership stake in the public affairs, corporate communications and crisis shop.

The transaction effectively makes Rapp sole owner and CEO of the firm, which will henceforth be re-branded as Rapp Strategies, Inc.

Himle in a statement said that he ended his tenure with the firm in order "to pursue some business and professional opportunities" that he's been mulling over for some time. He has since formed a new company, Himle LLC.

Himle, former executive director of the Minnesota Agri-Growth Council, founded Himle & Associates in 1982. That firm was rebranded as Himle Horner Inc. seven years later with the arrival of veteran Republican consultant and public affairs pro Tom Horner.

Rapp, who was previously executive director to former Minnesota House Speaker and Majority Leader Phil Carruthers and director of Minnesota Government Affairs for Xcel Energy (formerly Northern States Power Company), joined the company in 2001. He was named partner in 2008 and became a minority shareholder the same year, after Horner sold him part of his ownership stake.

Horner sold his remaining shares to Rapp two years later and left the firm to mount an Independence Party ticket run for Minnesota governor, and the firm was subsequently re-branded as Himle Rapp & Company, Inc. The company provides counsel and strategy focused on corporate reputation/risk, crisis management, corporate social responsibility and public affairs services to *Fortune* 500 companies, trade associations, non-profits and government agencies.

Himle plans to assist Rapp with the transition.

BARTLING TAKES TONIC LEADERSHIP POST

Huntsworth Health unit **Tonic Life Communications** has named Edelman alum Ann Bartling managing director of the healthcare agency's European region.

Bartling joined **Edelman** in 2003 as health VP in that number-one independent agency's Chicago office. She was later named health director in Edelman's London outpost and most recently led the firm's UK and European health practice as health brands managing director.

Bartling now assumes the leadership of Tonic's EU offering, and will provide council and direction to the agency's roster of healthcare clients while steering its growth. She'll report to CEO Maryellen Royle.

Tonic Life maintains dual headquarters in Philadelphia and London.



**Todd Rapp (top)
& John Himle**



Ann Bartling

ACCOUNTS IN TRANSIT

KCSA Strategic Communications scores **Champions Basketball League** as a client to support the league's PR, social media and IR programs. CBL consists of former NBA players in competitive five-on-five basketball. It also runs year-round charity events, camps and



community-based programs. KCSA will deploy a communications program aimed at increasing awareness of CBL among the investment community, current and former NBA players, fans of the game, and targeted media. KCSA managing partner Lewis Goldberg will spearhead KCSA's efforts and provide strategic counsel on public relations matters while managing partner Todd Fromer will provide counsel on investor related matters.

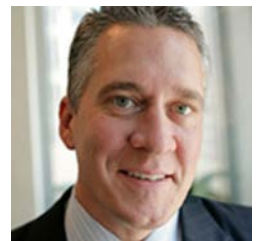
Crenshaw Communications toasts new client **Weekly Tasting**, online wine-sale site. The New York firm will provide PR, media relations and content services to support the site, which offers a selection of wines hand-picked by Certified Sommelier Elizabeth Schneider and Master Sommelier Laura Maniec. "Crenshaw's track record in beverage alcohol brands, coupled with the team's knowledge of consumer lifestyle media, is a strong fit with Weekly Tasting," said the site's director of marketing Mallory Stampone.

PEOPLE ON THE MOVE

FleishmanHillard specialty brand **VOX Global** has promoted **Carey Tarbell** to general manager and **Mike Marker** to managing director. Before joining VOX Global in 2007, Tarbell served as executive director of *National Journal's* Policy Council and spent more than 13 years at Powell Tate|Weber Shandwick. Her new responsibilities will include overall management and growth of the firm. Marker, who was a founding member of VOX, has served as a lead crisis counselor and media trainer at the firm. His new role will entail oversight of VOX's field offices and team, directing strategy, business development and culture.



Carey Tarbell



Mike Marker

French|West|Vaughan has promoted three executives to VP. **Leah Knepper**, who has been with the firm since 2012, and an associate VP since March 2015, now oversees FWV's travel & tourism practice, **Brad Grantham**, who joined FWV last year, is in charge of the firm's technology, healthcare, crisis communications and media training practices. **Scott Palmer**, now VP/digital and social media, previously held the position of social media manager.



Leah Knepper

CARTER'S EXIT AFFIRMS PRINT'S THIRD ACT

By Ronn Torossian, CEO of **SW PR**



The media landscape in New York and across the country changed in a big way with the recent announcement that *Vanity Fair* mainstay, editor Graydon Carter, would be leaving the company

Carter has been the face of the magazine for 25 years and has managed to keep his publication relevant while many others have come and gone. His departure is seen by many as another nail in the coffin for print magazine publishing.

Carter said this was the right time to go:

"I want to leave while the magazine is on top ... I've loved every moment of my time here, and I've pretty much accomplished everything I've ever wanted to do. I'm now

eager to try out this third act thing that my contemporaries have been telling me about ... and I figure to get a jump on it ..."

When Carter entered the game, magazines were still a massive moneymaker. Then came the Internet. Over the past decade or so, print media advertising and readership — especially in magazines — has fallen precipitously. As brand after brand surrendered to market trends and economic realities, Carter's star still shined.

A recent *New York Times* piece called Carter a "ring-master of the glittery spheres of Hollywood, Washington, and Manhattan media ..." He was also described as "one of the few remaining celebrity editors ..."

Both of these are fair assessments. Carter made his mark, and he kept at it successfully, when many of his contemporaries entered their "third acts" sooner than anticipated. But, despite his celebrity, Carter was a print man through and through. He cut his teeth in publishing at *Spy* magazine, a satire publication that raised a generation of typically-confrontational news hounds. After *Spy*, Carter moved on to the *New York Observer*, a print alternative to the standard daily news fare in the Big Apple.

Carter remained relevant, in part, due to his ongoing feud with Donald Trump. It was Carter who debuted the "short-fingered vulgarian" description of Trump that has caught on in liberal circles, and the two men sparred — never hiding their disdain for each other — over the decades. Back in 2012, Trump tweeted that he couldn't wait "for *Vanity Fair* to fold, which, under Graydon Carter, will be sooner rather than later ..."

It looks like that particular prediction will fall short, and the jury's out as to whether the heir apparent to Carter will take such a hard line with the President. In the meantime, New Yorkers are feeling yet another major media shift, the result of which may reverberate for some time to come.



Graydon Carter

PR OPINION

The PR community today remembers the nearly **3,000 people murdered 16 years ago** during the World Trade Center/Pentagon terror attacks and plane crash in Pennsylvania. Many PR people can instantly recall where they were when the first tower of the WTC was hit on 8:46 in the morning of September 11, 2001.

I was in a car with a friend emerging from the Brooklyn Battery Tunnel—a building blocked our view of the WTC. We saw silver streams of what appeared to be confetti falling from the sky. Though curious about the confetti, which turned out to be slivers of "skin" from the outside of the WTC building, we weren't overly concerned because the traffic cop ahead continued to direct cars either toward the FDR highway or up the west side past the WTC. We tuned to an all-news radio station, all sounded normal. The helicopter traffic reporter was giving the usual rundown of delays and updating a congestion problem on the George Washington Bridge. Then it happened. America was forever changed. The traffic reporter must have turned the helicopter around toward downtown because he suddenly let out a shout, "The World Trade Center is on fire." As we headed up the FDR, the flaming WTC came into view. We made it to work.

After checking in with co-workers, I joined the crowd on Fifth Ave. to watch smoke billowing from the WTC. I left the office about noon for the 15-mile trek back to Brooklyn. By the time I reached the financial district, both towers were gone.

In the days, weeks and months following the 9/11 attacks, the PR community stood tall. PR people can take a measure of pride for the role that communications played in restoring a sense of normalcy to everyday life. Communicators calmed jittery investors, employees and consumers. They assured the public that America would bounce back and emerge stronger than ever. The Bush Administration relied on PR to spread its message that those responsible for the attacks would be held responsible for their action.

President Bush used PR as a tool in his "war on terror." The power of PR though cut both ways. Bush used PR to justify the invasion of Afghanistan, which was the haven of WTC mastermind Osama bin Laden.

The President then used that same PR to launch an unjustified war in Iraq, a conflict that was based on a bogus claim that Saddam Hussein possessed a trove of weapons of mass destruction. We are still paying for that war in the form of ISIS, which developed from the rubble of Iraq.

The 9/11 terrorists selected their targets as blows against world trade, US financial/military power and New York City's position as media capital of the world. The 9/11 attacks served and continue to serve as recruiting tools for radical Islam. They taught us that we are all vulnerable to terrorism.

Fortress America is a myth in the interconnected and wired world where disaffected young people can become heroes by piloting a plane into a building, driving a truck into people on a crowded street or detonating a suicide vest in a packed concert hall. We must remain vigilant.

— Kevin McCauley