

Jack O'Dwyer, Editor-in-Chief

# O'DW/E/5 Newsletter

The Inside News of PR and Marketing Communications

# **SACRAMENTO REVIEWS AIR QUALITY PR**

The air quality and pollution control entity for California's Sacramento County is reviewing its seven-figure communications account, including support for campaigns to curb wildfires and smog.

The Sacramento Metropolitan Air Quality Management District released an RFP covering general outreach and public education for the agency, as well as its "Check Before You Burn" and "Spare the Air" campaigns. California has been beset by wildfires in recent years. A wildfire known as the King Fire east of Sacramento has burned through



more than 70,000 acres as of last week.

Katz & Associates is the incumbent and is winding down a two-year contract capped at \$2.75M. About 60% of that contract is estimated to be pass-through money for media buys and similar expenses.

Proposals are due Oct. 6. Download the RFP at

http://www.airquality.org/rfps/index.shtml.

# WEISENBURGER STEPS DOWN AT OMNICOM

Omnicom EVP and CFO Randall Weisenburger is leaving the marketing conglomerate after 16 years to return to the private equity sector.

OMC's board tapped SVP of finance and controller, Philip Angelastro, to take over Weisenburger's role.

Weisenburger played a key role in Omnicom's rise and he was rewarded handsomely – 2012 compensation topped \$31M in pay and stock sales.

Media reports on the scuttled Omnicom-Publicis merger earlier this year centered on a power struggle over

centered on a power struggle over Weisenburger and his Publicis CFO counterpart, Jean-Michel Etienne.

Angelastro is a 17-year OMC vet, joining its DAS Network as VP of finance in 1997. He became controller of OMC in 1999 and SVP in 2002.

He is a former partner of accounting firm Coopers & Lybrand and former president and CEO of private equity and venture capital firm Wasserstein & Co.

Omnicom CEO John Wren said he and Weisenberg "have long agreed" that Angelastro would take the CFO post.



Weisenberger

271 Madison Ave., New York, NY 10016 212/679-2471. Fax: 212/683-2750 www.odwyerpr.com; jobs.odwyerpr.com

Sept. 29, 2014 Vol. 48 No. 38

# **B-M BOOSTS IMAGE OF ISLAMIC GROUP**

Burson-Marsteller is working to improve the US image of Tunisia's Ennahda Party ahead of the country's parliamentary elections slated for Oct. 26.

The Muslim Brotherhood-inspired organization is the front-runner in the vote. The party won the 2011 election that triggered the ouster of strongman Zine El Abidine Ben Ali.

Ennahda officials say they want good relations with the White House and Congress. Its leader visited Washington the end of September to meet with State Dept., National Security Council and Congressional staffers. The US has guaranteed \$1B in loans to Tunisia since it kicked off the Arab Spring revolution.

B-M has neither a formal written contract nor letter of agreement with its client.

Fees/expenses for B-M's media support and stakeholder outreach are to be determined.

B-M's Amit Khetaurpaul and Bill McQuillen are working Washington for Ennahda.

# PORTLAND'S METRO PLANS FOR PR

Metro, the metropolitan planning organization for the 1.5M-resident Portland, Ore., region, is reaching out for strategic communications proposals to support a variety of PR and marketing duties.

The 1,600-staffer agency, which covers 25 cities and three counties, handles a swath of duties from managing the Oregon Zoo and the Portland Expo Center to providing services like garbage and recycling.

Metro released an RFP on Sept. 18, drawing interest from a broad group of agencies with Northwest operations. Proposals are due Oct. 16.

The RFP (#2824) can be accessed through Oregon's online procurement portal, ORPIN.

# MWW SVP, PRSA CHAIR COHEN TO KIND

Joe Cohen, senior VP for MWW and national chair of PRSA, is moving to fast-growing natural foods company KIND Healthy Snacks as senior VP of comms.

Cohen, who announced the move on an MWW blog, is a 15-year MWW veteran, which he joined out of Syracuse University in 1999.

He takes up the KIND role on Sept. 29.

KIND, based in New York, is a socially conscious purveyor of all natural granola bars. Founded by the son of a Holocaust survivor, the company has seen revenue top \$120M in recent years, up from \$15M in 2008, according to a January *Fast Company* profile.

Elle Lanning, senior director of comms. for KIND, is moving into the newly created role of VP strategic dev.

#### SCANDAL-PLAGUED NFL BRINGS IN CMO

The scandal-plagued National Football League has brought in former Pepsi-Cola North America CEO Dawn Hudson as chief marketing officer.

NFL commissioner Roger Goodell said Hudson will handle development, direction and implementation of all marketing activities for the league in a bid to "help further connect the NFL with fans."

Hudson, a former ad agency exec, was president and CEO of the PepsiCo unit, where she spent 11 years, including as CMO.

Pepsi is a large sponsor of the NFL. Hudson also has sports experience as chairman of the board of the LPGA and has been vice chair of consulting firm The Parthenon Group for the past five years.

Earlier, she was an EVP at Omnicom's DDB Needham and managing director at DMB&B.

She will report directly to Goodell, starting next month based in New York.

The hire is the latest by the NFL to contain its simmering domestic violence crisis. Last week, the league brought in former Obama policy advisor Cynthia Hogan to head policy and government affairs.

# **KELLEY DRIVES PR TO BOOTH**

Kelley Blue Book has named M Booth its first agency of record at the automotive vehicle and information resource that was founded in 1926.

Booth, which is owned by Next Fifteen Communications, is to establish thought leadership platforms among business stakeholders and gain new audiences through earned and social media.

Chintan Talati, senior director of PR at Kelley, called Booth a "creative and innovative agency thoroughly versed in brand-building" and one that "displays the kind of industry insight and market analysis needed to confidently help us move our business forward."

Kelley's KBB.com ranks as the sector's most-rated site. It includes the Kelley Blue Book Trade-In Values and weekly data on what shoppers are paying for new and used cars.

The Irvine, Calif., company also provides information services to car dealers, manufacturers, finance/insurance companies and governmental agencies.

#### **NYPL BOOKS WELCH**

The New York Public Library has named Carrie Welch chief external relations officer effective October 15. For the past six years, Welch was senior VP/external relations at the International Rescue Committee.

At the IRC, she revamped its fundraising model, which resulted in a 200 percent spike in revenues, and transformed its digital operations.

Earlier, Welch was first executive VP-global communications for Lowe and Partners; VP-communications at Time, where she helped launch CNNMoney.com., and director of communications for Fortune.

Her new job will include bolstering outreach strategies and overseeing NYPL's development and communications & marketing units headed by Ryan Cairns and Ken Weine, respectively.

#### BRUNSWICK IN PUSH FOR CHINA POWER CO.

Brunswick Group is supporting the \$300B State Grid Corporation of China's presence at the UN Climate Summit last week in New York as the world's largest state-owned power company seeks to position itself as a leader against climate change.

Brunswick staff in China and Washington are advising the the No. 7 company on the *Fortune* 500 list and handling PR. SGCC chairman Liu Zhenya delivered a keynote at the event on Sept. 23, highlighting the company's "smart grid" technology which incorporates ultra high voltage transmission lines and renewable energy.

"The key for addressing these challenges is to push forward large-scale utilization of clean energy and electricity," he said. Liu also gave a speech in Washington last month proposing a "Global Energy Internet" capable of sharing renewable energy.

SGCC, which has global ambitions, delivers power to about 80% of China. Revenues top \$298B.

#### TEXT, APCO BACK BLACKBERRY'S PASSPORT

Text 100 and APCO Worldwide handled the global launch of Blackberry's Passport smartphone last week, a bid to recapture the enterprise mobile phone business it has lost over the past decade.

The Waterloo, Ontario, company said the new phone, which debuted Sept. 24,

was inspired by actual passports ("the universal symbol of mobility") and provides the "durability business professionals require in a smartphone."

It held concurrent events in Toronto, London and Dubai for the launch of the device, which includes a touchscreen and a physical keyboard in a nod to its mobile device roots. Hockey star Wayne Gretzky was on hand in Toronto to debut the



phone, which will be sold through carrier AT&T in the US. Blackberry CEO John Chen sought to distance the new phone from its rivals. "The BlackBerry Passport was created to drive productivity and to break through the sea of rectangular-screen, all-touch devices," he said.

Blackberry, which also debuted a new mobile device management system with enhanced security, consolidated its global PR last year with APCO and Text.

Reviews for the square-screened Passport have been mixed. The *New York Times* praised several features but wasn't convinced consumers will drop their existing devices. "Ultimately, the BlackBerry Passport feels different, daring and promising, but not enough to entice most people away from better-known devices if they have the option," wrote Molly Wood.

The *Wall Street Journal* tended more negative, noting the "bulky, awkward design and the unfamiliar keyboard make it hard to justify finding space for it in a pocket or bag." Tech news portal CNET lauded the Passport's keyboard and "powerful" hardware, but added that its design makes one-hand use difficult.

# PROJO LOOKS FOR PUBLISHER

The Providence Journal, which officially was acquired for \$46M this month by GateHouse Media, is looking for a publisher.

Bernie Szachara, 49, who is senior VP-publishing and group publisher of GateHouse's local media group, succeeded longtime publisher Howard Sutton on Aug. 30 on an interim basis.

He has promised to preserve ProJo's newsroom commitment to local news reporting.

Szarhara sister ProJo's "effectiveness in covering local news and ability to maintain strong relationships in local advertising will sustain it as the leading media brand in Rhode Island."

A.H. Belo is the former owner of ProJo.

# TWC FITS EXECS WITH GOLDEN PARACHUTES

Time Warner Cable's top four executives eye an estimated \$136.5M in "golden parachute compensation," according to the proxy for the Oct. 9 special meeting to approve its takeover by Comcast.

CEO Robert Marcus tops the list with \$81.9 in total comp, of which \$22.4M is cash.

CFO Arthur Minson, chief technology/network operations officer Michael LaJoie and COO/business services Philip Meeks weigh in at \$26.2M, \$16.6M and \$11.9M, respectively.



**Marcus** 

The golden parachute comp is based on continuation of basic salary/bonus on the assumed date of termination for a 36-month period.

Marcus has a base salary of \$1.5M and bonus target of \$5M. Minson follows at \$900K/\$1.4M, LaJoie's at \$650K/\$650K and Meeks at \$600K/\$600K.

At the meeting, shareholders will get an opportunity to cast an "advisory" vote on the golden parachutes.

The Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 requires that non-binding tally.

# **BBG NAMES FIRST CEO**

The Broadcast Board of Governors named veteran journalist/media executive Andy Lack its first CEO.

He'll oversee Voice of America, Radio Free Europe/Radio Liberty, Radio Free Asia, Middle East Broadcasting and Radio and TV Marti.

"Andy Lack has an unmatched record as a journalist and media executive, and he has successfully steered large organizations through changes in competitive media environments," said chairman Jeff Shell in announcing the appointment.

Lack joined Bloomberg in 2008. Prior to Bloomberg, he helmed Sony Music Entertainment.

Earlier, he was COO of NBC responsible for CNBC and MSNBC and president of NBC News handling "NBC Nightly News," "Meet the Press," "Today" and "Dateline NBC."

Lack joined CBS in 1976 and rose to senior executive producer of "CBS Reports."

The BBC began a search for a leader a year ago.

# **GOOGLE BOWS TO PR PRESSURE, QUITS ALEC**

Under pressure from environmental groups and tech activists, Google said it will sever ties with the conservative lobbying group ALEC because it is "literally lying" about climate change.

The tech giant cited the American Legislative Exchange Council's indefensible position on climate change as the key reason it won't renew its membership at the end of the year.

"Everyone understands climate change is occurring, and the people who oppose it are really hurting our children and our grandchildren and making the world a much worse place, and so we should not be aligned with such people -- they're just, they're just literally lying," Google chairman Eric Schmidt told NPR Sept. 22 as the United Nations tackled climate change.

ALEC CEO Lisa Nelson on Sept. 22 called Google's decision "unfortunate," citing "public pressure from leftleaning individuals and organizataions who intentionally confuse free marketing policy perspectives for climate change denial."

A day later ALEC released an outline of its stance on renewable energy, saying "businesses should determine their renewable energy goals independent of a government mandate and according to the best locally available technology."

Bloomberg reported last month that Microsoft withdrew from ALEC over its fight against renewable energy.

ALEC has been successful in creating and promoting conservative model legislation for statehouses. Google worked with the group on tech issues and privacy.

Yahoo followed Google out the door on Sept. 24. **ALEC Returns Fire** 

ALEC a day later blasted Schmidt's contention that the group is "literally lying" about the reality of climate change is based on "misinformation from climate activists who intentionally confuse free market policy perspectives for climate change denial."

Arlington, Va.-based ALEC sent a letter to 11 top Google execs including Schmidt, founders Larry Page/Sergey Brin, senior VP communications/policy Rachel Whetstone and global head of government relations & former Staten Island Congresswoman Susan

ALEC contends it offers an environment that provides vigorous debate and disagreement without negative consequences.

Schmidt's statement has triggered "negative consequences for an organization that provides just such a forum for debate and exchange," according to the letter.

ALEC claims it doesn't deny climate change, but wants solutions rooted in scientific and economic realities. It speculates Schmidt was pressured by groups that "conflate climate change denial with having significant concerns over government mandates, subsidies and climate regulations."

To ALEC, "nothing is more anathema than the government picking winners and losers." By "falsely attacking ALEC," Schmidt has harmed Google's side-by-side working relationship to it, the group said.

#### MEDIA NEWS \_

#### **NYT REVAMPS MASTHEAD**

*New York Times* executive editor Dean Baquet has revamped the paper's masthead by dropping the managing editor position and replacing it with four deputy executive editors.



Chira, Elder, Purdy and Fisher

He saw the need for the overhaul because management has too much work for all "decisions to be made by a couple of editors in corner office," he wrote in a memo to staffers.

Baquet elevated Susan Chira to lead news reporting across all platforms.

Janet Elder is in charge of talent, operations and newsroom budget; Matt Purdy gets investigations and enterprise coverage responsibilities, and Ian Fisher will oversee digital operations.

In addition, Baquet named Tom Bodkin creative director.

The executive editor told staffers that Larry Ingrassia, who led the business desk though the financial meltdown, is retiring at the end of the year.

Most recently, he worked on the transformation of the *Herald Tribune* to *The International New York Times*.

Baquet took over in May for Jill Abramson after her high-profile ouster from the Paper of Record.

#### VIACOM'S SHERMAN NAMED AD COUNCIL CHIEF

Lisa Sherman, executive VP/general manager of Viacom's LogoTV, will be the next president/CEO of the Ad Council.

She'll succeed 15-year president Peggy Conlon on Nov. 3 as the Ad Council's fifth president.

The Ad Council handled \$1.6B in donated media for 40 public service campaigns in 2013.

Sherman joined Viacom in 2005 to launch LogoTV, which targets gay, lesbian, bisexual and transgender people.



Sherman

She bolstered the number of householders accessing its programming from 17M to 52M.

Prior to Viacom, Sherman worked as executive VP at Hill, Holliday, co-founded Women's Sports Network and held marketing/advertising/operations posts Verizon during a 17-year stint.

Laura Desmond, Ad Council chair and CEO of StarcomMediaVest Group, called Sherman, a leader and a pioneer in the communications industry.

Spencer Stuart conducted the search for Conlon's replacement.

#### **MULVIHILL JOINS ATLANTIC**

Bill Mulvihill is joining *The Atlantic* next month as associate publisher.

He's been at *Vanity Fair* for the last three years, departing as national advertising director.

Earlier, he was at *Entertainment Weekly*, *The Week* and *Cookie* magazines.

Hayley Romer, Atlantic publisher, calls Mulvihill a "venerable talent" with "strong connections with stellar brands."

#### **CHINA ARRESTS TOP BIZ EDITOR**

China detained the editor-in-chief and general manager of a top business newspaper on Sept. 25 in its continued crack down on the press and freedom of expression. The *21st Century Business Herald* is the paper of editor Shen Hao and GM Chen Dongyang.

China state-run press gave no reason for the detentions.

Nanfang Media is own of the Herald and other paper's that have been exhibited a degree of independence from the official party line of China's government.

# **NUTRITIONIST BLASTS BIG SODA PR MOVE**

The American Beverage Association's splashy announcement of a plan to cut the number of calories that its customers drink by 20 percent by 2025 is nothing more than a PR move, says highly respected nutritionist Marion Nestle.

The Alliance for a Healthier Generation, which was founded by the American Heart Assn., Clinton Foundation and the American Beverage Assoc., and bankrolled by Coke and Pepsi, ran a full page ad in the Sept. 24 New York Times to herald the move.



Former President Bill Clinton helps the soda industry unveil their plans last week in New York at the Clinton Global Initiative.

The Alliance provided a priceless third-party endorsement of the calorie cut target, praising it as "a tremendous undertaking by the industry, one that should be applauded, and also one

that will not come easily."

It says the industry "will leverage every ounce of their national and local influence, product innovation and marketing muscle to reach this ambitious and necessary goal."

Nestle, who is Paulette Goddard professor of nutrition, food studies, and public health at NYU, throws cold water on the hoopla, noting that soda consumption is dropping like a rock. All the soda companies have to do is to wait for consumption trends to achieve their calorie goal, wrote Nestle on her Food Politics blog.

If they were serious about combatting obesity, they would support tax initiatives and warning labels on sugary drinks, she said, noting the companies fight tax initiatives and warning labels tooth and nail.

#### VIRGO TAKES BITE OF BIG APPLE

Britain's Virgo Health, which was acquired by Golin in 2012, has launched a US healthcare PR practice in New York.

Nancy Caravetta, a 23-year healthcare PR veteran, oversees the operation.

Virgo says the outpost will strengthen its ties with its multinational clients that are headquartered here. Those clients include Eli Lilly and Merck. Angie Wiles and Sarah Matthew founded Virgo in 2003.

#### JF IN PHARMA TAX INVERSION TRIANGLE

Ireland-based pharmaceutical producer Endo International is working with Joele Frank, Wilkinson Brimmer Katcher for PR support on an unsolicited takeover attempt of Auxilium Pharmaceuticals of Pennsylvania.

While such a deal would give Auxilium a Dublin corporate base to duck US taxes under an inversion, the company is attempting an inversion deal of its own with a June agreement to acquire rival QLT for \$345M and reincorporate in Canada.

Endo pitched a \$28.10-per-share cash and stock offer for Auxilium, which would value the target at \$2.2B. But Auxilium's board unanimously rebuffed the overture Sept. 22 -- five days after acknowledging receipt of the offer -- claiming it is "not a superior" proposal to the QLT deal and undervalues the company. Auxilium, however, left the door open to further discussions by noting the QLT merger agreement allows it the right to engage in discussions with Endo and other third parties.

Keri Mattox is senior VP of IR and corporate communications at Auxilium. Sard Verbinnen & Co is advising the Auxilium-QLT deal.

Endo responded to Auxilium's rejection Sept. 22, saying that it believes its offer is compelling and expressing a desire to work with Auxilium to make it happen.

Blaine Davis is senior VP of corporate affairs for Endo. JFWBK vice chairman Andy Brimmer and partner Kelly Sullivan head the Endo account.

QLT, meanwhile, reaffirmed its support for the Auxilium deal. Financial communications firm Argot Partners is advising QLT.

#### **ENTERTAINMENT PR SHOPS ALIGN**

Stu Zakim, founder of New York-based Bridge Strategic Communications, and Dan Harary, head of Beverly Hills' Asbury PR Agency, have formed a strategic alliance to serve media and entertainment industry clients on a national basis.

The two were classmates at Boston University in the 1970s. "Our skills and experience are complimentary and extensive, with his expertise based from a West Coast point of view, and mine from the East Coast," said Zakim. "We felt the timing was right for us to explore this new alliance and to offer new clients our combined decades of knowledge."

The joint venture focuses on PR and promotions for new films, TV programs, live acts and product launches, among other assignments. First up is PR for the Fall U.S. Tour of singing group "Under the Streetlamp," which includes four leading cast members from the hit Broadway musical "Jersey Boys."

# **EVERCOM CRACKS NUT COUNCIL REVIEW**

Spain's evercom has won global PR duties for the International Nut & Dried Fruit Council, the nut sector trade group representing members on five continents.

Madrid-based evercom is charged with creating an annual communications and PR plan to target the US, Africa, Europe and the Asia-Pacific region. It also includes PR for the World Nut & Dried Fruit Congress 2015 slated for Antalya, Turkey. The group's 2016 confab is headed to San Diego.

The council, known as the INC, is based in Reus in Spain's Tarragona region. Its members include producers and distributors of almonds, walnuts, hazelnuts, pine kernels, pistachios, macadamias, pecans, cashews and Brazil nuts. Evercom's clients include Deutsche Bank, Burger King and Marineland Mallorca, among others.

#### **New York Area**

Momentum Communications Group, New York/Discovery Toys, direct-selling educational toy company, for media relations and strategy marketing consulting focused on the education market. Jerry Salerno, CEO of the Discovery, said, "We look forward to working with Momentum to encourage the next generation of parents and educators to discover our brand, while expanding our community of dedicated educational consultants."

**FischTank Marketing and PR**, New York/Ambient Water, atmospheric water generation systems that extract water from humidity in the air, to develop and maintain messaging, conduct national media outreach, and advise on all marketing and communications functions.

**Britt Banter**, New York/New York Independent Film Festival, as AOR for the Oct. 15-19 event to showcase feature films, short films, music videos and animation.

#### East

The District Communications Group, Washington, D.C./US Small Business Administration, to handle marketing and outreach for the "Boots to Business" campaign to encourage entrepreneurship among veterans. Ogilvy and FleishmanHillard vet Lyn Schultes is VP. The SBA released an RFP in August for the work to support the year-old Obama administration program, part of the Transition Assistance Program to help veterans return home from active duty. TDCG will tackle PR, event marketing, social media, PSAs and other duties under an initial task order of \$1M.

**Buffalo Communications**, Vienna, Va./Arccos Golf, maker of a "club-to-cloud" golf club sensor system with GPS, live stat tracking and tour analytics, for PR and marketing in the US and Canada. The \$399 set of club sensors that attach to club grips hit retailers in October.

#### West

**KCD PR**, San Diego/Lee Rawiszer, managing partner at Paradigm Financial Partners who specializes in working with high-net-worth clients, for strategic PR and content marketing initiatives to promoting his expertise servicing the entertainment, television, sports and music industries.

# **PEOPLE**

# **BLACK PRS OF ATLANTA SETS SYMPOSIUM**

The Black Public Relations Society of Atlanta will host the first PRability Symposium on Oct. 16 -- "New World. New PR. New You" -- as part of the group's 2014 programming theme, "The Next Big Thing."

The symposium is set for the Junior Achievement's Chick-fil-A Foundation Discovery Center from 1-5:30 p.m., followed by a networking reception.

Chick-fil-A is the 2014 presenting sponsor of BPRSA.

Speakers include Donald Miller, best-selling author and founder of Storyline; Alicia Thompson, senior VP, Edelman; Michael B. Moore, founder of The Brand Farm, and Mark Miller, VP of organizational effectiveness for Chick-fil-A. Info: www.bprsatlanta.org.

# **RECRUITER DANIELS DIES AT 80**

Len Daniels, who began a recruitment career at Jerry Fields Assocs. in the late 1960s, died June 7. He was 80.

In 1970, Daniels launched Placement Assocs., which specialized in PR recruitment for both agency and corporate clients. Placement Assocs. closed in 2000.

Daniels had residences in his hometown of Hudson (NY) and New Smyrna Beach (FL).

#### **BL GETS NJ NAT'L GUARD PACT**

BurrellesLuce picked up an \$8K pact to handle media monitoring, clipping and distribution duties for the New Jersey National Guard.

The year-long pact includes broadcasting monitoring, press clippings, and release targeting services, as well as analytics.

The NJ National Guard conducted an online reverse auction for the work.

#### DALLAS AGENCY SLATES 24 PRO BONO PUSH

Dallas integrated agency MODassic Marketing said it will shut down Oct. 23 for a 24-hour creative marathon for charity.

All agency staff, efforts, and resources will be dedicated to a "pro-bono all-nighter," and the firm has issued an open call for non-profits that would like to be considered for the event.

Applications will be accepted through Sept. 30 at modassicmarketing.com/createathon.

# TRANSLATION SERVICE TARGETS JOURNALISTS

Translators for Journalists has been created as a marketplace to allow reporters to buy and sell content translated by expert linguists.

The UK-based service monitors online media for articles of potential interest to foreign journalists and will translate and publish excerpts to allow journalists to decide whether to purchase and publish the full piece.

The copyright owner and translator receive a commission on each sale.

The network has translators in 181 countries covering 67 languages.

Info: translatorsforjournalists.org.

#### **Joined**

J. Mark Sutherland is returning to Lubrizol as director of PA and president of The Lubrizol Foundation of the Wickliffe, Ohio-based producer of chemical additives and advanced materials. He joined Lubrizol in 1981, rising to the director of IR until Lubrizol's 2011 acquisition by Warren Buffett's Berkshire Hathaway. Until



Sutherland

August, Sutherland worked as VP-IR for WR Grace & Co. At the Lubrizol Foundation, Sutherland takes over for Dave Enzerra, who has shifted to a corporate operations role. Lubrizol employs 7,500 people and generated \$6.4B in revenues during the past year.

Matt Bennett, senior VP of comms. and PA for the drug industry trade group PhRMA, has moved to Racepoint Global as senior VP to lead its Washington outpost. Bennett spent three years at the Pharmaceutical Research and Manufacturers Association, directed all internal and external comms. He was previously a senior VP for Golin in DC leading several healthcare PA accounts.



Bennett

Bryan Zidar, who led employee comms. and PR at T-Mobile US, has booked a flight on Alaska Airlines as managing director of corporate comms., a role held for the last four years by Paul McElroy, who recently left the company. Zidar takes the reins of PR and internal comms. for the Seattle-based carrier. He was senior



idar

manager of media relations at VoiceStream Wireless before the Western Wireless Corp. spinoff took the name T-Mobile in 2002. Zidar did agency stints at Edelman and OnPR in the late 1990s and early 2000s.

Jill Hazelbaker, Google's top PR and government relations executive, to Snapchat, to head the social imagesharing app's communications department, after an extensive search. She'll move next month from London, where she also oversaw European Union policy, to Sanpchat's Los Angeles headquarters. She was comms. director for John McCain's presidential bid.

Jonathan Prince, a veteran Washington communicator and Clinton and Obama administration hand, to music streaming service Spotify as global head of comms. and public policy. Prince was a partner at Chlopak, Leonard, Schechter & Associates and led the New York mayoral campaign of Bill Thompson last year. Earlier, he did agency stints at Brunswick Group and the political consulting firm Isay, Klores, Prince. On the public sector side, he was deputy assistant secretary of state for strategic comms. and public diplomacy for Middle East Peace and handled communications and messaging for the Clinton White house. Jason Roth left Spotify in February after eight months as director of communications stationed in San Francisco.

#### **EDELMAN: TOSS 'MARKETING COMMUNICATIONS'**

Richard Edelman says it's time to drop the term "marketing communications" in favor of "communications marketing" to correctly reflect PR's role as full partner with the marketing department.

By reversing two commonly used terms, PR would illustrate its movement beyond credibility to becoming the change agent, the CEO of the No. 1 independent firm told the Arthur Page Society on Sept. 21 during his induction into the group's Hall of Fame.

Edelman followed the footsteps of his father, Dan, who was elected to Page's Hall 17 years ago. He called Dan "my best friend and mentor."

# **CM's Guiding Principles**

Edelman talked of the rapidly shifting PR environment, where image-driven marketing is giving way to a laser-like focus on long-term relationships.



Edelman

Three core principles drive

CM. They are "evolve, promote and protect."

#### **Evolve**

Evolve is to "enable serious change inside the enterprise or to introduce a product that is a discontinuous large step forward."

The PR person's job is to "help fellow executives lead the organization, not manage perceptions," explained Edelman.

#### **Promote**

Promote is grounded in PR's "storytelling heritage." Edelman said it's not restricted to campaigns—like advertising—but rather designed to create movements.

The communications marketer is "alive 24/7 with content and immersive experiences that are true to life and add value to relationships."

Edelman pointed to client General Electric as an example of a company with a robust media shop, producing GE Reports, Technologist Blog and Ecoimagination sites.

#### Protect

Protect goes beyond crisis management. "We need to hold the organization to its promises where it matters most, on issues as diverse as human rights, tax and product safety," said Edelman. Since globalization and transparency are permanent game changers, Edelman said brands can no longer try to suppress or divert bad news.

"PR now must be publicly accountable and aim to prevent problems, not solely repair them."

Communicators and marketers are inextricably linked. "Communications must operate with the rigor and analytics of marketing and marketing must operate with the storytelling mindset and marketplace reality of ideas," according to Edelman. CM, to Edelman, is a "powerful way to re-imagine the opportunity staring us in the face."

# **BRITISH DIPLOMAT TRIES HAND AT BELLPOTT**

Mark Canning, who was Britain's ambassador to Indonesia and Malaysia, has joined Bell Pottinger as senior advisor for its Asian operations. He also was the U.K.'s permanent representative to the Assn. of South East Asian Nations.

Canning served in Africa as ambassador to Zimbabwe and worked in London at the Foreign & Commonwealth Office. He counseled British companies on navigating the rapidly shifting Asian political, regulatory and commercial climates, working closely with mining, energy and manufacturing companies.

Piers Pottinger, chairman of BP Asia, called Canning a combination of "first-rate political, media and commercial expertise." The Asia region, he added is "enjoying stellar expansion."

Shih-Huei Ang is CEO of the region.

#### IR EX PLEADS GUILTY TO INSIDER TRADING

Michael Lucarelli, who was director of market intelligence at Lippert/Heilshorn & Assocs., pleaded guilty to insider trading charges.

The 52-year-old faces a maximum of 20 years in jail and must forfeit more than \$900K in gains.

US attorney Prett Bharara said in a statement: "Michael Lucarelli, in violation of his company's policies and his clients' trust, illegally traded on material nonpublic information for his own financial gain."

Lucarelli was charged with carrying out his illegal activity from Aug. 2013 to Aug, 2014. He was arrested Aug. 26. He's charged with obtaining working drafts of press releases prepared by LHA for its clients prior to their release to investors.

Lucarelli then took positions in the stock of LHA clients shortly before the announcement of these companies of material information through press releases prepared by LHA. He violated LHA's written code of conduct, which prohibits employees from trading in any client securities.

In his Sept. 24 court appearance, Lucarelli told Judge Jesse Furman that he "made a serious mistake." He is free on \$500K bail and faces sentencing Jan. 8.

#### **PODESTA WORKS FITBIT**

Heather Podesta + Partners is repping Fitbit as privacy concerns rise about what the health and fitness device company does with the data it collects from users.

Fitbit's wireless wearable monitors track a person's steps, distance walked, calories burned, weight and sleep.

New York Senator Chuck Schumer expressed worry last month that Fitbit's sensitive consumer data could be sold to third-parties like health insurance companies.

The San Francisco-based company has said its corporate policy precludes it from not selling/sharing data with outsiders unless requested by a customer to do so.

Foundry Group, SoftBank Capital, Qualcomm Ventures and SAP Ventures bankroll Fitbit.

Heather Podesta, who worked for Rep. Robert Matsui and Earl Pomeroy, walks the Fidbit beat with Benjamin Klein, ex-aide to Sen. Byron Dorgan, and Eric Rosen, one-time staffer for Rep. Anthony Weiner.

# Tylenol murders, J&J's "Spin City," had a 32nd birthday Sept. 29.

The seven Tylenol murders were a crime buried in a whirlwind of lies that made a hero out of the company that bore heavy responsibility for them—Johnson & Johnson.

Media, including the New York Times, Washington Post, Economist, Fortune and the Christian Science Monitor, have looked and continue to look at the tragic event from the wrong end of the telescope—missing the "elephant in the room."

The right end is examining the death of 23-year-old Diane Elsroth of Peekskill on Feb. 17, 1986 from a Tylenol capsule laced with cyanide. No over-the-counter drug should ever have been sold in easily taken apart and spiked capsules and especially not after seven people died horrible deaths that way.

The introduction of "tamper-resistant" packaging on Nov. 11, 1982, less than six weeks after the murders, was pure spin that ignored the possibility that someone could open the package, doctor the capsules, and put them back in the medicine cabinet. Someone in a bar could hand a spiked capsule to a victim.

J&J, like a magician distracting an audience with one hand while reaching into his or her pocket with another, made the issue the packaging rather than the capsules. Media were quick to swallow this poisoned pill.

#### **Capsules Rushed Back to Market**

J&J, rushing back to the market with the flawed capsules (when unalterable tablets dissolve just as quickly in the stomach), was obviously concerned with market share and not the well-being of the public. It ran commercials as early as Oct. 24, 1982 to promote the new packaging. CEO James Burke, facing a conference at the National Press Club Feb. 19, 1986, two days after the death of Elsroth, said, "Yes, indeed, I am," when asked whether he was sorry J&J continued to sell Tylenols in capsules.

A major culprit is the PR Society which in 1983 gave J&J a special Silver Anvil in the crisis category after it had lost to Hygrade Hot Dogs, which had a contamination crisis.

#### PR Society Adds to its Tylenol Burden

The PR Society hosted two panels this month that praised what J&J did. Michael Schubert, Ruder Finn, told the Sept. 8 ethics panel of the New York chapter that J&J's behavior in 1982 after the Tylenol murders was a "shining example" of ethical corporate behavior.

He said J&J's PR strategy "was not only to be transparent and honest and ask forgiveness about it but was to remediate the problem and the result was that we got stronger, more tamper-resistant on medicines going forward."

Maria Sonin, of the Ethics Officer Assn., told an ethics panel of the national Society Sept. 25 that the Tylenol poisonings were the work of a "madman" and that what Burke did got him "hailed as a hero and people have written about that again and again and again."

#### Wikipedia on Tylenol Ignores Elsroth

Wikipedia, unlike the NYT, Washington Post, Economist and other major media, has acknowledged that ex-J&J employee Scott Bartz has come up with evidence in the 200-page TYMURS book http://tinyurl.com/pztte25 that the 1982 poisonings took place on J&J's watch.

Amazingly, WP has two lengthy essays on the 1982 murders that fail to take up the subject of the 1986 murder of Elsroth.

The entry under "Chicago Tylenol Murders" gives the basic facts of the crime and devotes 200 words to the Bartz book and the crusade by Michelle Rosen, daughter of victim Mary Reiner, to have authorities re-open the case. There is no mention of the Elsroth murder.

Text, under the heading, "Alternative Theory," includes: "Scott Bartz, a former Johnson employee, argues that the poisoned Tylenol was introduced not, as the media reported, in retail stores, but in a distributor's warehouse in the Chicago area. He believes that Johnson & Johnson knew this but intentionally suppressed evidence leading to this conclusion.

"... [Bartz] stated, 'My research showed the tampering occurred within the distribution network for Tylenol and of course Johnson & Johnson, to avoid liability, would not want to be associated with distributing this Tylenol.'

"On September 24, 2013, Michelle Rosen, daughter of victim Mary (Lynn) Reiner, appeared on WHDT to provide testimony of her mother's ingestion of the laced Tylenol. According to Rosen, Mary Reiner had given birth 6 days prior and received her Tylenol from the hospital pharmacy. Bartz's investigation into Reiner's ingestion is believed, by Rosen, to be the 'smoking gun' because she concluded the culprit presented by authorities could not have gained access to a secure hospital pharmacy."

#### Wikibooks Skips Elsroth

A special discussion of the Tylenol murders on Wikibooks fails to mention the murder of Elsroth. It says J&J "seemed to show a perfect example of how businesses should professionally and ethically react to crises." A nearly three-page feature in the Aug. 22 Sunday NYT praised J&J's handling of the 1982 murders as "Exhibit A in the lesson book on forthright crisis management." NYT reporter Natasha Singer on May 3, 2010 wrote that "J&J is considered a model for the consumer products industry for its fast and adept handling of a Tylenol scare in 1982..." The Economist said in April 2010 that J&J/Tylenol is the "gold standard in crisis management." The Christian Science Monitor said Jan. 15, 2010 that what J&J did in 1982 "is still regarded as a shining example of corporate social responsibility." The Motley Fool said on May 6, 2011 that what J&J did "has always been the poster child for how to handle a crisis." Fortune magazine on May 28, 2007, hailed J&J/Tylenol in a full page article as the "gold standard in crisis control." The March 2008 *Tactics* monthly of PRSA praised J&J/Tylenol as "an enduring example of crisis management done right." - Jack O'Dwyer