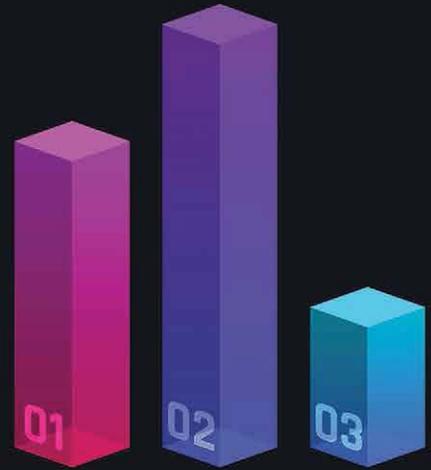


ANNUAL RANKINGS ISSUE

PUBLIC RELATIONS FIRMS RANKED BY NET FEES, ANNUAL GROWTH, PR SPECIALTY AND GEOGRAPHY



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PLUS: AGENCIES SHOULDN'T JUST TALK DIVERSITY, THEY SHOULD ACT
 USING CHATBOTS TO SUPPORT SOCIAL MEDIA STORYTELLING
 5G: ARE WE ASKING THE RIGHT QUESTIONS?

Volatile markets, social purpose test financial firms

Financial PR firms faced a watershed year in 2017 as clients were impacted by extreme market volatility, corporate tax cuts, threatened trade war with China, cyber-threats, increased stakeholder activism, deregulation and the growing demand to highlight corporate social responsibility.

By Kevin McCauley

President Trump's willingness to use his Twitter platform to criticize individual companies added another challenge for financial PR firms. Amazon, for instance, lost billions in market valuation following a Presidential tweetstorm.

Richard Dukas, Chief of Dukas Linden Public Relations, told *O'Dwyer's* his firm put a strong focus on financial broadcast news to help clients gain visibility in a media landscape increasingly crowded by 24/7 Trump reports.

The New York-based firm, which generated \$5.2 million in financial fee income, arranged guest hosting segments for clients on business programs such as CNBC's "Squawk Box" and "Closing Bell," Fox Business Network's "Mornings with Maria" and PBS' "Nightly Business Report."

During 2017, DLPR got more than 600 broadcast interviews for clients, primarily on CNBC, Bloomberg and Fox.

Dukas said his firm's knowledge of investment trends also drove market-moving media placements.



Richard Dukas

At a time of investor activism, DLPR showcased campaigns by activist short-sellers Muddy Waters Research and Spruce Point to uncover corporate wrongdoing.

The firm presented Okapi Partners, a top proxy solicitor for companies and investors, in activist situations.

As the financial world continues to debate "passive versus active" investment strategies, DLPR raised the visibility of ETF investors such as Global X Funds and ARK Invest.

Looking ahead, Dukas said renewed equity market volatility may increase investment in non-correlated assets such as real estate, private equity and hedge funds, causing alternative investment firms to seek PR assistance.

He noted that financial services firms are showing more interest in digital communications, although they remain cautious about using tools such as LinkedIn, HubSpot, Twitter, etc. due to compliance issues.

Crisis communications will take center stage, as companies seek to develop "what if" plans to address cyber-threats, #MeToo issues, regulatory shifts and volatile markets.

"Given the information overload from

social media, tweets, blogs and 24/7 news, management must do a better job of positioning — with clear and compelling messages that convey a company's distinctive value proposition," Dukas said. "In this context, DLPR believes earned media remains a highly influential and effective channel and should have a prominent role alongside the newer trend of 'content creation' campaigns."

Developing social purpose

Corporate boards will look back on 2017 as a time when managing reputational risk became significantly more challenging, said Bill McBride, Senior Advisor at RF|Binder Partners, which registered \$4.6 million in financial fees.

"After spending 2017 dodging Presidential Twitter darts, corporate boards entered 2018 with a warning from the biggest global asset

managers — the titans of index investing — to expect more intense scrutiny of the social impact of their business models," said McBride. "Adding to the pressure was new research refining the concepts of the 'materiality' of environment, social, and governance factors in corporate performance, tightening the connection between social impact and company valuations."

He noted that the shooting at Marjory Stoneman Douglas High School thrust weapon manufacturers, retailers, logistics companies and financial service companies into the center of a public debate on gun violence, one of society's most contentious issues.

"In the wake of Stoneman, the surge of



Bill McBride

such Twitter hashtags as '#BoycottDelta' or 'BoycottNRA' underscored how quickly public opinion forms and surges — and also can fade — in the era of social media," said McBride. "This volatility can have significant effects on the perceptions and behavior of customers, employees, shareholders, distributors, regulators and the legal community."

Data from RF|Binder's whitepaper, "Navigating Risk in the Age of Corporate Purpose," shows that boards will not easily sidestep the public's increasing tendency to see corporate behavior through the lens of social impact.

More than three quarters of respondents said they either "strongly support" or "somewhat support" companies taking a stance on increased access to health care or on environmental sustainability.

Seventy percent "strongly support" or "somewhat support" companies that adopt a position on gender equality.

"In this volatile, fractious communications environment, corporate clients are coming to understand the importance of developing 'purpose' as the touchstone for all their internal and external relationships," said McBride. "Successful companies in this new era of hyper-connectivity will be those who develop an authentic, purpose-driven approach to communicating the value of their organization."

Consider entire value chain

Luke Lambert, CEO of G&S Business Communications, said his firm's approach to financial communications is based on a modern definition of business value as measured by the three R's: Reputation, Risk and Return.

The goal is to add greater dimensions to client strategies by providing data-driven insights that differentiate a company's financial performance or investments.

"In today's hyper-connected, hyper-competitive marketplace, our goal is to identify meaningful advantages for clients by considering their entire value chain," said Lambert. "Because our agency's business communicators bring in-depth knowledge



Luke Lambert



O'Dwyer's financial PR rankings, pg. 30

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Healthcare roundup

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prove highly competitive in the coming year.

“In the big picture, the ongoing convergence of siloed communication practices — public relations, marketing, content management — will continue to reshape the expectations of our clients and, ultimately, our industry,” Jarrard told *O’Dwyer’s*.

Healthcare agency Lazar Partners was #15 this year, boasting nearly \$5.4 million in healthcare-related net fees.

Founder and CEO Fern Lazar said the agency experienced growth from all healthcare segments last year, and the New York-based shop’s expertise in medical technology, scientific communications and patient-to-patient communications were what especially drove the bulk of its revenue in 2017.



Fern Lazar

Financial roundup

— Continued from page 28

about heavily regulated industries, such as agriculture and food, clean energy and financial services, corporate clients also rely on us to advise their strategic investment units.

“These investment arms of global companies are uncovering some of the most exciting growth opportunities, many in emerging business areas that seek to solve the world’s toughest challenges, such as food security and climate change.

“Our guidance and programs support these portfolio companies as they achieve scale, seek new routes to market, or encounter pressure from competitors, regulators, legislators or suppliers,” said Lambert.

G&S, which had \$1.2 million in financial income, counsels corporate issuers on how to provide a more complete picture of their material value to shareholders. “Our sustainability experts and analysts work closely with CFOs and CCOs to develop integrated financial reports that disclose risk and returns in terms of environmental, social and governance factors,” said Lambert. “Lack of transparency will be no longer tolerated as major investment companies and fund managers call for spe-



Martin Mosbacher

Lazar said the healthcare industry can expect to see dramatic changes in the coming years as scientific breakthroughs such as artificial intelligence, machine learning and diagnostic innovation transform data into knowledge, allowing clinicians to deliver personalized, precision care to patients in a bid to improve outcomes.

“Such transformation underscores the need for communications practitioners to deliver original, informative content that catalyzes action from healthcare stakeholders,” Lazar said. “We must also recognize the advantages of an integrated approach to our marketing as new channels that reach doctors, patients and caregivers emerge.”

New York-based shop Bliss Integrated Communication skyrocketed in *O’Dwyer’s* healthcare rankings this year, moving from #39 in 2017 with \$866,000 in healthcare-related net fees to take the #29 position this year with \$1,848,000 in healthcare-related earnings, representing a gain of 113 percent.

Bliss’ healthcare group, which was formed only five years ago, brought in some impressive healthcare account wins in 2017, including Aetna, adding to an already impres-

sive roster of clients that includes Gore Medical, TransCelerate, Procure and the American Geriatric Society.

Strengthening social capabilities

Martin Mosbacher, CEO of Intermarket, said his firm used 2017 to evolve from its focus on the intersection of finance and technology.

“After a few sluggish years, Intermarket, rebounded last year with the addition of Overstock.com’s tZero unit, blockchain/crypto-currency, BioCatch (cybersecurity) and Aperion Investment Partners (London-based venture capital group).

On the more traditional front, Intermarket, which generated 2017 financial fees of \$4 million, began work with AST (shareholder ownership services provider) and New Frontier Advisors (institutional research and investment advisory firm).

Intermarket renewed ties with NASDAQ, expanded business with RBC Wealth Management and formalized a longstanding relationship with the University of Chicago Booth School of Business as the school’s PR agency.

In addition to client work, Intermarket placed a new emphasis on expanding its content development and social media teams,” said Mosbacher. “Utilizing the PESO model we are able to provide our clients with 360 degree communications advice, strategy development and service.”

He said the firm is “developing new modes of content development and placement and expecting to make some significant addi-

tions to our client roster and capacity in 2018.”

Intermarket chalked up \$4.1 million in financial income.

“Our role as communicators is becoming much more consultative, and clients rely on their agencies to partner with them to think through a complex range of issues,” Roth said. “This shift in the industry requires that agencies place more emphasis on integrated communication strategy versus tactical execution and content creation. Our clients tell us that they see great value in our hybrid teams and a more consultative approach to communications.”

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Michael Roth

Peppercomm worked with the Institute for Public Relations in 2017 to study the challenges faced by CCOs and CMOs in the business work, said Jaqueline Kolek, Managing Director of the firm with \$7.1 million in financial income.

The first study found respondents were concerned about the uncertainty of the Trump Administration’s communications policies and were increasing efforts to be better prepared to respond (or not respond) if the Administration does something that affects their organization.

Countering fake news

Kolek said the second study dealt with how communicators were reacting to the rapid evolution of digital and data and found that while most agreed that implementing digital and data is critical to their success, they are struggling with how to describe and deploy these technologies.

She said Peppercomm’s 2018 priorities include helping clients prepare for and navigate potential issues and crisis situations in today’s highly-politicized, fake news environment and to communicate their corporate purpose to align themselves with organizations that share their values.



Jacqueline Kolek