

## Today's Top Story

brought to you by:

### PR NEWS

#### **Economic Climate Heats Up Demand for Independent Counsel**

In the eternal debate between big-name PR firms and independent practitioners, some things remain constant.

The indies say they offer access to higher-level talent. The big firms claim depth and breadth of institutional experience. The indies say their services cost less. The big firms counter that you get what you pay for.

But the conversation is now starting to change in a discussion that has long been the PR industry's version of the film "Groundhog Day." Social dynamics, technological progress and economic pressures on the client side all are coming together to create what some suggest may be the perfect storm: A confluence of factors that favor the rise of the independent PR practice.

**When Luciana Castro joined Kodiak Venture Partners as marketing and IR manager two years ago, the venture capital firm already was using large PR agency Sterling Hager. Castro promptly moved the business to indie shop Boldbrook Marketing & Public Relations.**

**Castro felt that a smaller shop would give her better access to senior people - a common point of contention between big and small firms. But there also was a social factor that influenced her decision: younger people just don't sit still anymore. "The junior people go away just when you have educated them about who you are and what you do," she says.**

Other social factors favor independent PR pros. In the wake of the September 11 attacks, for example, "more PR professionals have embraced the flexibility of the freelance lifestyle either out of necessity or as a way to stay closer to home and hearth," says Jim Delulio, president of the placement firm PR Talent. The trend has made high-level talent more readily available in the indie marketplace, which has strengthened the hand of independent firms overall.

Meanwhile, budgets are still tight throughout corporate America, which gives the lean-and-mean a decided edge compared with the large-and-mighty.

"The greatest advantage I can see for a client is a cost advantage," says Jessica Bram of the three-person PR firm Jessica Bram Communications. "With an indie practitioner, the clients know their fees are not going to overhead and are not paying for the support staff or the Madison Avenue address. They are paying for the talent and the energy."

As Bram's comment implies, it is not just the cost of the service that gets questioned when budgets are tight. It is the perception of where that cost is going. People will still spend money if they need to, but they want to get their money's worth.

Take, for instance, Martha Craft, director of PR/corporate communications at pesticide giant Orkin. After 10 years with Ketchum she switched in 2002 to the indie firm Jackson Spalding. "I sometimes got the feeling that the primary focus was on billing and tracking and being able to show profitability at the end of the month," she says. "Ketchum had a lot of red tape, for lack of a better way to say it."

Of course, independent firms constantly claim to offer comparable results with less red tape. But a couple of recent changes in the marketplace have given that claim added resonance. The reason? The explosion in new technologies.

**"If PR got anything out of the dot-com boom, it is the promise of the Internet," says Leslie Drohan, president of Boldbrook Marketing & Public Relations. "We have access to all the same tools the large agencies have. We have Dow Jones. We have Bacon's. We have virtual conferencing."**

Of course, some tools still are out of reach for indie firms, notes Al Golin, founder of the 500-person Golin/Harris agency. If a client has multi-national needs, for instance, Golin can provide coverage overseas either through his own offices or through his exclusive affiliates. Larger firms also may have a greater depth of specialization.

But that's where the next big thing comes into play, one that may undercut the big firms. By joining forces, independent firms are not just pooling their buying power -- thus enabling themselves to purchase access to some of the pricier databases -- but also are combining their creative muscle to provide for a far greater breadth of services and expertise.

"People are getting more sophisticated about the way they are forming teams and alliances," says Harry Bosk, president of Bosk Communications, who is also president of The Independent Public Relations Collaborative, a voluntary network of indie practitioners originally formed through the Maryland chapter of PRSA, but is now a freestanding organization.

Due to technology, it is easy for today's independent practitioner to form "very seamless, virtual teams, offering a full range of services just like an agency, and yet they don't have 10 or 20 employees. They do it by subcontracting out," Bosk says.

Nor is the Independent Public Relations Collaborative the only group of its type. In addition to the many loose affiliations that exist among indie agencies, a number of larger, national organizations have joined the fray, including PRSA's own Independent Public Relations Alliance, and the North American Association of Independent Public Relations Agencies (NAIPRA).

This kind of team approach, which would have been difficult to achieve pre-Web, is now among the network of converging trends that is giving a boost to independent practitioners. "It enables you to enlarge your scope, taking on projects where you may not have all the expertise, but you know that you can bring in people who do," Bram says. "That sharing of resources is very important."

### *Independent, But Still Confined by Certain Rules*

The economy may favor the independent PR practitioner these days, but that does not mean it's a free ride for independent firms. To thrive in the indie world, you still have to do the legwork - and fork over the dough. Some tips, courtesy of Jessica Bram, whose Westport, Conn.-PR firm Jessica Bram Communications counts the Institute for Public Relations among its diverse group of clients.

- Buy technology: For an indie firm to compete in a world of big-name players, technology is key. Put in the DSL line, spring for the extra memory, do what it takes to beef up that desktop.
- Be an expert: By concentrating efforts in a particular industry or a particular aspect of PR, it is easier to target one's limited marketing dollars. Also, a vertical focus gives you clout as an expert in a particular area.
- Make friends: Form coalitions with others whose talents and specialties complement your own. Can't do it in-house? Farm it out to a friend. Now you can take on bigger, more complex projects.
- Spend the money: You need resources to do this right. You need database subscriptions, electronic information-delivery systems and similar tools. "Just forget about doing your own press release distribution," Bram says. Invest in the systems that free your time, allowing you to do the real PR work.