

Reprint Friday, October 24, 2008

## PR firms optimistic

Spin aside, most public relations pros say poor economy could help their business

Austin Business Journal - by Sandra Zaragoza ABJ Staff

Call them optimistic, but public relations experts say that even in an economy teetering on a recession, businesses need to get the word out about who they are and what they do.

"I feel like my clients see this as an opportunity to win market share and build their expertise," says Melissa Anthony, president of AnthonyBarnum Public Relations.

Anthony isn't the only PR professional waxing positively about her trade these days.

Locally, a number of public relations firms say 2008 has been a banner year in terms of revenue growth. And while some expect next year to be slower, they are continuing to see their clients invest in public relations.

Although some companies may be curtailing advertising, the public relations segment doesn't appear to be seeing as much retrenchment at this time, says Isabella Cunningham, chair of the University of Texas' Department of Advertising.

"At this time, companies are concerned about communicating to audiences, such as investors or potential employees. Or they are trying to work on mitigating the potential backlash of laying off employees," she says.

Public relations is also typically a smaller expenditure than advertising or marketing, says Elizabeth Christian, president of Elizabeth Christian & Associates.

"I've noticed that as the decades go by, [more] people see the value of public relations. They are sticking with what is cost-effective," Christian says. "And they need to be out there even in slow times with their products and services."

Christian, whose clients range from energy and transportation to nonprofits and health care, believes the diversity of her clients would help her weather a slowdown.

"I have health care clients who need us no matter what, and a lot of our business is involved in the upcoming legislative session, which happens no matter what," Christian says. "That will keep us busy for a while and hopefully things will turn around before long."

Aaron DeLucia, vice president with Porter Novelli's Austin office, says the agency, which is focused on technology clients, is experiencing its best year in terms of revenue growth. And he says that the economy has spurred clients to promote themselves.

"A lot of our clients are trying to make a big splash and get in front of venture capitalists," DeLucia says. "I don't know if we will see the softening in technology like we are seeing in the financial industries. But we have to wait and see."

Although area public relations firms specializing in technology suffered a big hit during the tech bust, things are a bit different now, DeLucia says.

"We are diversified between startups and larger enterprises," he says, adding that about 50 percent of the Austin office's clients are outside the market.

Porter Novelli's clients include Hewlett Packard, Planview and Pricewaterhouse-Coopers.

Another reason public relations agencies are thriving is social media, DeLucia adds.

"PR has become much more measurable," he says. "Yes, a story in the Wall Street Journal is great, but did you get any pieces of business and is it driving revenue? The measurement tools are now in place to look at a campaign and see results."

Anthony, of AnthonyBarnum, says her agency grew 35 to 40 percent over last year and expects that growth to continue. The agency's clients include BP, AIC Ventures and Watkins Insurance Group.

She says the uncertainty of the economy is also opening opportunities for public relations agencies.

"Many companies during these tough economic times are outsourcing their public relations and marketing," Barnum says. "We like to say we are where the tire meets the road; our job is to bring in results."

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