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PR Agency Report Card 2004

Kekst and Company

Strategic communications firm with crisis management, M&A and IR expertise.

New York 212-521-4800

In the wake of the corporate scandals of the past couple of years, the gap between what the mainstream, full-service public relations agencies do and what specialist firms like Kekst do has never been wider. While the mainstream agencies were hastily cobbling together corporate governance practices and trying to persuade clients that they deserved a place in the C-suite, Kekst was doing what it has done for more than 30 years—counseling CEOs, CFOs, lawyers and investment bankers on mission critical communications.

It's increasingly difficult to persuade senior executives that a firm hired to deliver product publicity can also deliver high-level strategic counsel. Fortunately, that's not a challenge Kekst faces. The firm has never tried to be all things to all people, and it has never been drawn to the commodity end of the business. It doesn't populate its ranks with fresh-out-of college PR graduates—even its younger staff are far more likely to have MBAs or experience in finance or law—and it doesn't need to push unqualified mid-level staff into counseling roles, because its senior team (including Gershon Kekst, Larry Rand, Jim Fingerroth, Robert Siegfried and Jeff Taufield) has more than 200 years combined experience helping clients solve the kind of problems that keep the CEO awake nights.

The mergers and acquisitions business that once provided Kekst with the majority of its revenues may have slowed over the past two or three years, but U.S. corporations have faced a host of other challenges—governance questions, litigation, bankruptcy—that require the same kind of trusted advisors. Kekst has been involved in some of the most high profile, including several mutual funds caught up in an industry-wide scandal; the crises facing Martha Stewart Living Omnimedia, Hollinger, and Abercrombie & Fitch; restructurings at Fleming, Loral and Global Crossing; and litigation support for Bayer during the Baycol product liability suit.

The firm also continues to handle more than its share of M&A activity, representing both sides in the friendly deals between St. Paul and The Travelers, Yellow and Roadway, and Biogen and Idec Pharmaceuticals; advising Lehman Brothers Holding in its strategic acquisition of Neuberger Berman, and Boise Cascade in its acquisition of OfficeMax; and handling cross-border deals including Ripplewood Holdings' acquisition of Japan Telecom, Pechiney's acquisition by Alcan, and Axa Financial's acquisition of MONY Group. Other core clients of the firm include Coca-Cola, Citigroup, Time Warner, Lucent Technologies, LVMH, Northrop Grumman, and Marsh & McLennan.