

Following in the footsteps of founder and now chairman Gershon Kekst, the firm's new CEO is ready to take Kekst and Company to the next level. Kimberly Maul reports



The walls in the offices and conference rooms at Kekst and Company are filled with picture frames highlighting articles clipped from newspapers, ads touting companies amid proxy fights, letters from President Bill Clinton, and photos of his wife, now Secretary of the State Hillary Clinton, with Lawrence Rand.

Rand, who has been with the agency since its inception in January 1971, recently transitioned to the position of president and CEO, as founder Gershon Kekst moved to an executive chairman role.

"Larry was deeply a part of the agency," says Kekst. "He was the first with the courage to join me after I left Ruder & Finn," the firm where both worked and met in 1968.

But this transition not only signals a new leader, it also gives the agency a chance to incorporate other senior staffers into the firm's management and operations.

"The firm is made up of very bright people from all kinds of disciplines: academics, law, finance, marketing, media," Rand says. "Getting more people involved in the business not only hones their skills, but it means they have ownership in the firm. They have pride and culpability, which must go together."

Rand himself has an academic background, earning his MA and PhD from NYU after graduating from Brown University in 1964. After serving in the intelligence community in Washington during the Vietnam War, he moved to New York with his family, where he met Kekst at Ruder & Finn.

2010-present

President and CEO of Kekst and Company

1971-2010

Partner, SVP, and board member at Kekst and Company

1968-1970

VP at Ruder & Finn

2008-present

Adjunct professor, New York University, Stern School of Business

2004-2008

Mayor of Rye Brook, NY

In starting his firm, Kekst says he was looking “to work in a company or environment where there is an opportunity to do things that can change or significantly affect the course of public policy events.”

Rand says Kekst started at a very interesting time, as M&A activity started to become contested and then takeovers and other financial PR activities became more popular in the 1980s.

“Larry has a brilliance that enables him to grab the subject totally and, with the pressure of time, come up with the right answer as to what ought to be done,” Kekst says. “His record of doing that is pretty close to perfect.”

Longstanding relationships

In the world of corporate communications and financial PR agencies, clients come via referrals. And for Kekst and Co., new clients are coming from an increasing number of sources, including law firms, banks, restructuring companies, and individuals who have worked with the agency in the past. Rand notes that the firm does not chase new business, nor does it participate in RFPs.

“It’s been our belief that if you continue to maintain a relationship with your client, as their needs change, you will be invited to help with their communications,” he explains.

For example, Kekst has worked with Estée Lauder for more than 15 years, since the company went public, helping with IR work, says Dennis D’Andrea, VP of IR for the cosmetics company.

“Larry has a broad base of knowledge that spans financial, media, crisis management, economics, and regulatory,” he notes. “He provides solid counsel in each of those areas for us. As we have changed, the counsel that Larry has given us has been there.”

In July 2008, Publicis acquired Kekst, incorporating it into its new MS&L Group, but retaining the well-known name. Olivier Fleurot, CEO of MS&L, says the company was impressed by the firm’s expertise in the corporate communications and financial PR space, as well as its employees’ access to high-level executives.

“We see them as very high-level consultants who talk to board members, the C-suite, and can really be strategic advisers,” Fleurot adds, highlighting that the firm and holding company are able to refer business to each other and work together on some accounts. “I wish we had 10 Keksts. We have enough work.”

As an example of the agency’s high-level interaction, Kay Krill, CEO of Ann Taylor Stores Corporation, has a personal relationship with Rand, one that has existed for the 10 years the companies have worked together.

“He’s always provided wise counsel for external communications and financial PR,” she says. “Larry brings a very thoughtful and relevant perspective to that process.”

As an element of this relationship-building and CEO access, it helps the firm to have a roster of high-level executives who have relationships with key companies and individuals. Subsequently, Gershon Kekst and Larry Rand are not the only faces of the company.

In September, Kekst and Co. announced Rand’s new post, formalized an executive committee, which will help on strategy and policy planning, and an operations committee, which will help with day-to-day operations, such as personnel, reviews, client work, and more (*see sidebar*). The agency says the changes did not come about solely because of the Publicis purchase, but had been something it was pondering for some time.

“In talking to our clients about the rehabilitation of the business and of the marketplace, it made sense to talk about it from our perspective,” Kekst says. “I want to see Kekst and Company continue to become, more and more, the firm of choice in communications strategic issues.”

Day-to-day activities and responsibilities aren’t changing much with the transition, Rand says, as the bulk of the agency’s job is still servicing clients. In fact, Estée Lauder’s D’Andrea says he still works with Rand in



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the same capacity as before: “The service component for me has not changed at all.”

Rand concurs, noting how every employee is taking on more responsibility and ownership of the firm as an added element to their positions and careers.

“We counsel our clients on seamless, transparent transitions,” he notes. “Our goal was not only to build a business, but an incredible bench as well, so that when this occurred it was a non-event.”

As head of the firm, Rand looks to retain current clients, grow its client base, and expand its scope of work into areas such as hedge funds and alternative investment options. He also hopes to continue bringing Gershon Kekst’s goals for the agency to fruition and empower the rest of the team to have ownership in the agency.

Executive committee member Jeffrey Taufield explains that this new cooperative struc-

KEKST’S SUPPORTING CAST

EXECUTIVE COMMITTEE

Jim Fingerth, 39 years with Kekst
Jeffrey Taufield, 39 years
Tom Davies, 23 years

OPERATIONS COMMITTEE

Eric Berman, 13 years
Todd Fogarty, 18 years
Michael Freitag, 20 years
Ruth Pachman, 23 years
Lissa Perlman, 27 years

OTHER SPECIALTY PRACTICES

Co-heads, litigation support: Robert Siegfried, 38 years; Lin Wu, 6 years
Co-heads of restructuring and bankruptcy: Michael Freitag, 20 years; Kimberly Kriger, 12 years
Head of corporate governance: Lissa Perlman, 27 years
Head of alternative investments: Todd Fogarty, 18 years
Head of financial institutions: Dawn Dover, 22 years
Co-heads of consumer products: Wendi Kopsick, 18 years, and Molly Morse, 12 years
Head of public affairs: Eric Berman, 13 years

ture allows more senior personnel to be the main contacts for clients, building relationships in the industry, and bringing in business.

“Each year, an increasing number of our senior people attract the preponderance of new business,” he says. “They are creating their own books through a growing network of relationships. That speaks to the success of the firm currently and going forward.”

Rand agrees, citing a young, 20-something at the firm who has already made contacts within the legal industry. Because of that, lawyers are referring clients to her, specifically, even at such a young age compared to her colleagues.

“One reason we have developed an executive and an operations committee is to expose more people to the operations of the firm and the personnel,” Rand adds. “You don’t just transition to the next person; you transition to the next persons and generation.” ●