

Eastern Europe Consultancy of the Year

The PBN Company

In May of 1990, Peter Necarsulmer was running a small but well-regarded public affairs firm in San Francisco when his telephone rang and his life changed. An old friend who served as special assistant to President George H.W. Bush asked if Necarsulmer and his firm could coordinate the visit of then Soviet President Mikhail Gorbachev to San Francisco. Ten days later, PBN was managing more than 2,000 journalists from more than 50 countries covering the visit and coordinating more than 20 public events. Six months after that, the firm opened one of the first western-owned public relations operations in Moscow. Today, PBN helps Western clients design and implement strategies to maximize their investments in Russia, Ukraine, other CIS countries and the Baltic States and works with local companies to expand their domestic market share and build their businesses into global enterprises. The firm has seen revenues grow rapidly in recent years, as interest in the Russian market booms, but even by its own impressive standards, 2006 was a great year, with global fees up by close to 50 percent and the Moscow office up by better than 80 percent. The biggest growth came in the financial communications practice. All of that helped PBN secure a deal with WPP, which acquired a 49 percent stake in the company, a move that will provide PBN clients with access to the global resources of one of the world's largest communications holding companies and is also likely to accelerate PBN's growth in the emerging markets.

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Corporate and financial
communications and public affairs

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In those early days, much of PBN’s work was focused on market access, helping western companies like Chiquita bananas and Apple Computer launch their products in what was then a daunting new market. It also handled communications surrounding the Komi oil spill, a 200,000-ton spill covering 25 miles of waterways in an environmentally-sensitive region of Russia, and handling the public affairs implications of several privatizations in partnership with investor relations partners. It opened a Ukrainian office in 1996, added a wholly-owned U.K. subsidiary, and expanded to the Baltic region and Kazakhstan in 2000.

The firm’s regional strength in the most critical of the former CIS countries and its experience in the world’s most developed public relations markets provided it with a unique positioning, one powerful enough to attract attention from some of the largest multinational public relations firms, and ultimately to secure a deal with WPP, which acquired a 49 percent stake in the company, a move that will provide PBN clients with access to the global resources of one of the

world’s largest communications holding companies (the firm has already shared business with Burson Marsteller, Hill & Knowlton, financial specialist Finsbury, and research company Penn Schoen & Berland) and is also likely to accelerate PBN’s growth in the emerging markets.

Necarsulmer continues to serve as chairman and CEO, based in Moscow, working with large corporate clients and government decision makers. The firm’s president and COO Susan Thurman oversees business operations of the firm and is also a specialist in high-profile crisis communications. They are supported by an uncommonly strong management team that includes Myron Wasyluk, formerly with the U.S. State Department and now based in Kyiv, and Paul Nathanson, managing director of the Washington, D.C., office, both with more than a decade of experience with PBN, and Tom Blackwell, who joined the firm four years ago in London and is now managing director in Moscow. Other members of the executive committee include Trevor Barton (managing director, London); Romans Baumanis, (managing director, Baltics); Artem Dovlatov (VP of financial communications, Moscow); and Peter Svensson, recently promoted to chief operating officer. New additions include Blake Marshall, former executive vice president of the U.S.-Russia Business Council, who joined as MD of the global government relations practice in Washington, D.C.; Stuart Leasor, formerly of M: Communications and FD, who joined in London as MD of the global financial communications practice; and Natalia Grigorova, a former client who joined as MD in the Kiev office.

Today, PBN helps Western clients design and implement strategies to maximize their investments in an international strategic communications firm specializing in Russia, Ukraine, other CIS countries and the Baltic States and works with Russian, CIS and Baltic companies to expand their domestic market share and build their businesses into global enterprises. The firm’s focus is on high-end consulting in corporate and crisis communications, financial communications, and government relations and public affairs. Services include strategic communications

and corporate positioning, reputation and crisis management, government relations and public affairs, market entry and expansion, and financial communications.

The firm has seen revenues grow rapidly in recent years, as interest in the Russian market booms, but even by its own impressive standards, 2006 was a great year, with global fees up by close to 50 percent and the Moscow office up by better than 80 percent. The biggest growth came in the financial communications practice, which worked on three successful IPOs for Russian coal manufacturer Raspadskaya; Russian steel maker MMK; and Ukrainian iron ore manufacturer Ferrexpo. Other new business came from Abbott, Alcatel-Lucent, Big Board Ukraine, a coalition of U.S. automakers, Citi, Enel, Khartizskiy Tube Plant, MMK, MVideo, Nord Stream, Pepsi, Sony, SaintGobain and Xerox. Other interesting assignments included work for Motorola, which retained PBN after the company had a large shipment of phones confiscated at the Russian border. PBN helped design and implement a complex communications program designed to manage media interest in the issue and ensure accurate coverage, while also reaching out to the company’s various key stakeholders including key regulatory officials, retail partners and shareholders, helping the company recover most of the phones. For Arcelor-Mittal, meanwhile, following the acquisition of the Kryvorizhstal Metal Works in 2005, PBN worked to communicate business strategy to key audiences such as government officials, business and industry media.

Major clients include Telenor, a global telecommunications company with substantial assets in Russia, Ukraine and the CIS; Motorola, for whom PBN provides with crisis communications, government relations and consumer marketing services in Russia; Basic Element, one of Russia’s largest diversified holding companies; Renaissance Group, a leading emerging markets investment banking, asset management and merchant banking group; BP, for which the firm provides political consulting and analysis in both Russia and Ukraine; and MTS, one of the largest mobile telecommunications providers in Russia, Ukraine and the CIS.