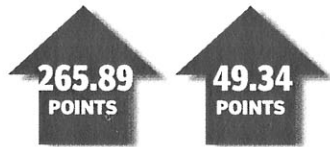


Business

THE BOSTON GLOBE FRIDAY, JANUARY 3, 2003



Dow Jones 8,607.52 Nasdaq 1,384.85

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Markets

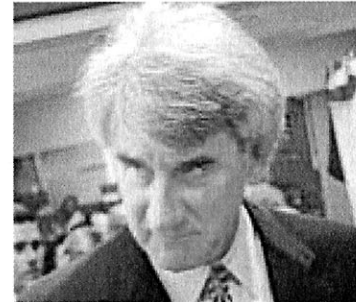
The US dollar 0.9652 euro ▲ 0.0121

10-year Treasury 4.03% ▲ 0.21

Bloomberg Mass. index 185.00 ▲ 3.58

Sending a signal

More than 140,000 people have signed up for the state's do-not-call list in its first two days of operation, indicating that Massachusetts consumers have a strong interest in curtailing the flow of telemarketing calls. **E3**



Back at the helm

Three years after selling his lobbying and public relations firm to a unit of the Omnicom Group of New York, Thomas P. O'Neill III (left), former lieutenant governor, is on his own again as head of O'Neill and Associates. **E3**

Former Lt. Gov. O'Neill opens Boston PR firm

Goes out on his own once again

By Chris Reidy
GLOBE STAFF

Former Lieutenant Governor Thomas P. O'Neill III is on his own again as the head of a lobbying and public relations firm that bears the name of O'Neill and Associates.

The new Boston firm has many of the same clients and employees of a Boston firm that O'Neill sold just over three years ago to a unit of the Omnicom Group of New York, which, like many other big

communications holding companies, endured a challenging 2002.

O'Neill stayed on after the 1999 sale and continued to represent such clients as Bechtel/Parsons Brinckerhoff, manager of the Central Artery/Ted Williams Tunnel project.

After being teamed with other Omnicom units, the firm first became known as GPC/O'Neill & Associates. But after several Omnicom realignments, the O'Neill name was dropped, and the office became part of an entity known as FH GPC.

O'Neill, a son of the late speaker of the US House of Representa-

tives, Thomas P. "Tip" O'Neill Jr., served as lieutenant governor of Massachusetts from 1975 to 1983. Shortly after leaving office, he founded a PR firm that later merged with another to become McDermott/O'Neill & Associates. Pamela McDermott and O'Neill parted ways before the firm was sold in 1999.

According to industry sources, it is believed that O'Neill bought back the assets of his old firm so he could be his own boss again, but he offered few details on his separation from Omnicom.

"It's a very good, amicable departure," said O'Neill, who added that no clients or jobs were lost

and that the 20-person Boston office is now poised to expand.

O'Neill said his firm and Omnicom units will share some clients, including Thermo Electron Corp. and Tufts Health Plan. Calls to Omnicom officials were not returned.

"This is a classic case of a Boston organ rejection of any outside New York entity," said Skip Pile, CEO of Pile and Co., a Boston firm that advises advertisers.

During the boom, publicly traded holding companies such as Omnicom gobbled up PR firms and ad agencies and tried to form them into global networks that could provide soup-to-nuts mar-

keting services to multinational clients. Holding companies hoped to grow revenue by having individual shops "cross-sell" the services of sister units within these networks. O'Neill, for example, might have urged a client to hire an ad agency owned by Omnicom.

That business model has had trouble proving itself in a slow economy when marketing budgets are often among the first things cut as client companies look to save money.

In this climate, an independent PR firm may have advantages, said Geri Denterlein, president of Denterlein Worldwide, a small Boston PR firm. Clients think in-

dependent firms are more "budget sensitive, more flexible, and can provide a higher level of service," said Denterlein, who worked for O'Neill for much of the 1990s.

"All politics is local," Tip O'Neill famously said, and the same may be true of local public relations, suggested Michael Vaughan of Nauset Strategies, who recently left the PR firm run by Thomas O'Neill III to go out on his own. "Boston is different," Vaughan said. "What works in San Antonio and Atlanta doesn't necessarily work here."

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