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As Outrage Grows, So Does BP's Adviser Crew

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President Barack Obama used the occasion of his first Oval Office address on June 15 to order BP (BP) to set aside "whatever resources are required" to compensate workers and business owners harmed by the Gulf of Mexico oil spill. A day later, at the White House for a private tongue-lashing, BP executives did just that, putting \$20 billion in escrow and canceling payment of a dividend to shareholders. Meanwhile, Congress prepared to go on the attack, with BP Chief Executive Officer Tony Hayward set to face a verbal drubbing on June 17 from a House panel over charges that his company cut corners in pursuit of profits.

BP is maintaining a careful public equilibrium while oil continues to spill into the Gulf—executives have not gone into hiding, nor have they been defensive as more and more demands are made on the company's purse. Still, they aren't taking the political piling-on lightly. Coordinating the nuanced approach is a crisis-management team, assembled over the last two months, of high-priced Washington insiders.

Orchestrating the response is the Brunswick Group, whose Washington

managing partner, Hilary Rosen, has connections throughout the city as the former head of the Recording Industry Association of America and from previous jobs that include working for Senator Dianne Feinstein, a California Democrat. To help massage the press, Brunswick has retained John Feehery, who served as an aide to former House Speaker Dennis Hastert. Other recent hires include Alex Castellanos, an adviser to GOP Presidential campaigns, who comes aboard with his own media and advertising firm, Purple Strategies. WilmerHale, a law and public policy firm populated by top officials from President Bill Clinton's Administration, is helping contend with multiple legal issues and congressional investigations. To help BP fight the war against viral innuendo, Ogilvy Public Relations Worldwide is advising on digital media such as Facebook and Twitter. Brunswick, Ogilvy, Rosen, Feehery, and Castellanos all declined to comment. Officials at WilmerHale didn't respond to requests for comment.

The experts talk daily to plot strategy and dissect the day's events. In prepping Hayward for his hearing, says one adviser, the basic message was: Don't say anything you don't know to be true. At the June 16 White House meeting, company officials were accompanied by WilmerHale partner Jamie Gorelick, a former deputy attorney general under Clinton, and Michele Davis, a Brunswick partner who was former Treasury Secretary Henry M. Paulson Jr.'s spokeswoman.

Senator Jeff Sessions (R-Ala.), whose state's coastline is being destroyed, says none of this counsel is doing much good. "I don't think their repeated statements that they are moving to efficiently compensate people who have suffered damages and to protect the beaches and estuaries has been perceived as very credible," he says. BP is getting much the same reception all over town.

"The issues of their own credibility have damaged them so much that the things they are saying...are just not remotely resonating with people," says Jack Quinn, the former White House counsel under Clinton who founded Quinn Gillespie & Associates, a lobbying firm. Quinn is not doing any BP work.

Even before the spill, BP had some of the city's top fixers on retainer, including Ken Duberstein, a former chief of staff to President Ronald Reagan, and Tony Podesta, brother of John Podesta, who ran Obama's transition team. All this talent is pricey: BP paid Duberstein \$400,000 in 2009 and \$100,000 so far this year, according to lobbying reports. Superlawyers such as WilmerHale's Gorelick bill between \$900 and \$1,100 an hour, says law firm consultant Peter Zeughauser.

There is a danger that the BP public-relations effort, highlighted by TV ads that promise the company "will make this right," may make matters worse. Obama pilloried the company in a June 4 speech for running what he called a \$50 million image campaign while the leak goes unplugged. A push to use Twitter isn't catching on, either. While posts by Hayward and other executives at @BP_America have close to 15,000 subscribers, that feed is dwarfed by tweets mocking the company at @BPGlobalPR, which has more than 167,000 followers.

The bottom line: *BP's hiring binge of lawyers, lobbyists, and media experts to help it deal with angry demands from Washington may not be doing it much good.*

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