MONKEY BUSINESS

When PR giant Hill & Knowlton teamed up with the Church of Scientology, nobody dreamed that it would end in a holy war.

If you were big enough, rich enough, and your reputation was in trouble

enough, sooner or later you came to see Robert Keith Gray. That was what the Scientologists had heard, and so they had come.

It was October of 1987, and the dapper, silver-haired prince of spin-doctordom sat at a round cherry table in the conference room of the Washington office of Hill & Knowlton. Through the smoked glass windows, Gray's visitors could gaze out upon the pricey view of the Kennedy Center and the glistening Potomac. But the delegation from the Church of Scientology International had more practical matters on their minds. Led by Heber Jentzsch, the church's president, the visitors stated their case.

There had been some problems within the movement, the Scientologists admitted. People had gone over the line. But those troubles had been dealt with, and still Scientology was misunderstood, maligned, treated unfairly by the news media and the government.

So they had taken the advice of Gerald Feffer, their lawyer at Williams & Connolly, and begun shopping for a big PR firm to improve their image.

Gray listened politely. He was an extraordinarily open-minded individual. He had to be, to represent the

clients he'd attracted over the years, from Haitian dictator Baby Doc Duvalier to mob-linked Teamster president Jackie Presser, from tobacco companies to the Marxist regime in Angola. Gray firmly believed that people and organizations had a right to have their side of the story told — and all the better if they were willing to pay Hill & Knowlton to be the storytellers.

Still, this new client made even Gray's stalwart staff a bit nervous. Scientology was a new religion that had spread across the globe since it was founded in 1954 by disciples of a science fiction writer named L. Ron Hubbard. Its followers trod the path of spiritual improvement through Dianetics, a regimen designed by Hubbard to rid them of painful memories dating back to the womb and previous lives.

The church aggressively marketed its religion, charging fees in the thousands of dollars for various stages of the process. Just as aggressively, Scientologists followed Hubbard's directive to combat enemies of the faith. The latter ranged from psychiatrists who prescribed the drugs and electroshock treatments that were anathema to Scientology's beliefs about the mind, to government agencies believed to be linked in a conspiracy to destroy the religion.

By the time Hubbard died in 1986, Scientology had weathered its share of controversies. In the 1970s a



Scientology organization called the Guardian Office burglarized offices at the Justice Department and the Internal Revenue Service, pilfering church-related documents. After the plot was uncovered in 1977, the FBI raided Scientology centers in Los Angeles and Washington, and 11 members of the sect — including

Hill & Knowlton would secretly dispatch private investigators to infiltrate the church.

Hubbard's wife, Mary Sue
— went to prison. Critics
also charged that the
church used high-pressure
tactics to get members
to pay thousands for
Scientology courses,
a practice that the
Scientologists saw as no
different from other
churches' fundraising. In
1986, according to the Los
Angeles Times, Scientology

paid an estimated \$5 million to settle lawsuits by former members and seal them from public view.

Not surprisingly, Scientology's record made some at Hill & Knówlton nervous. "I was very suspicious," recalls the former Hill & Knowlton executive who was at the initial meeting. "Were we getting a snow job from them?" Still, he wanted to keep an open mind; the Scientologists did seem sincere.

A few days later, the executive went to talk with Gray. What do you think? Gray asked.

I don't know, the executive responded. It's potentially a very dangerous account.

Both men realized that Hill & Knowlton needed to know more about Scientology than it could find out in a Nexis search, or even from the government sources the firm used to check out foreign regimes. So Gray and his lieutenant hit upon a solution: Hill & Knowlton would secretly dispatch private investigators, including phony recruits, to infiltrate the church and make sure its leaders weren't up to anything illegal. Meanwhile, Hill & Knowlton agreed to represent the Scientologists on a temporary basis.

For the privilege of being investigated by Hill & Knowlton, the Scientologists would post a \$50,000 retainer and pay an additional minimum of \$5,000 a month, plus expenses, to start. As Gray explained in a letter to Jentzsch, that was the price for the damage that representing Scientology might do to Hill & Knowlton's reputation. "The policy of this firm," Gray wrote, "is...to compensate the firm for business or

professional loss which unfairly but predictably attends our relationship."



Gray's caveat would prove eerily prophetic. Over the next three and a half years, Hill & Knowlton's relationship with the Church of Scientology would turn into a debacle for both organizations. Hill & Knowlton lost millions of dollars in business because of the Scientology contract, and was wracked by internal turmoil that insiders say contributed to the fall of both Gray and Hill & Knowlton's New York-based chief executive, Robert Dilenschneider. The Scientologists, in turn, found themselves deserted by their high-priced spin doctors just as they suffered perhaps the most disastrous blow imaginable to their image, a scathing Time magazine cover story in April of 1991 that proclaimed Scientology "the cult of greed." (The Scientologists, who deny the allegations, subsequently sued Time for defamation. The suit is still in discovery.)

Eventually Hill & Knowlton found itself under attack from the Scientologists, who had come to see the PR giant as another villain in the dark cabal to destroy their religion. In a \$14.7 million federal lawsuit filed in Los Angeles in 1992 and later transferred to Washington, Scientology charged that Hill & Knowlton had illegally terminated the contract between them. The reason, the church charged, was pressure exerted upon the WPP Group, the British conglomerate that owns Hill & Knowlton, by pharmaceutical manufacturer Eli Lilly. In the Scientologists' scenario, Lilly — a major client of another WPP-owned company, J. Walter Thompson demanded that Hill & Knowlton drop Scientology because a Scientology-affiliated group was crusading against Lilly's hugely popular anti-depressant medication, Prozac. Hill & Knowlton has contended that it was within its rights to quit the relationship.

This June, with the trial about to begin, the suit was mysteriously settled out of court. None of the litigants have been willing to reveal details of the agreement, and most of the 57,000 pages of Hill & Knowlton and Scientology internal documents and 75 depositions taken by attorneys for both sides are likely to remain under permanent seal, thanks to a restraining order. Current and ex-officials from Hill & Knowlton, Eli Lilly, and WPP declined to be interviewed for this story.

Still, the information that has emerged in hearings and legal arguments supports the Scientologists' scenario. It lays bare a high-priced marketplace of image manipulation, where candor is scarce and loyalty fragile. It's a world in which a PR firm can deny responsibility for the truthfulness of the information it pitches; Hill & Knowlton's contract with Scientology, for example, spelled out that the agency "cannot verify facts supplied it by the church." And it's a world where there are no set rules — unlike, say, those followed by lawyers — that require a PR firm to disclose conflicts of interest to a client, or reveal ulterior motives behind the advice it gives.

"What we were dealing with," says Scientology official Weiland, "is a question of professional ethics — or perhaps a profession of questionable ethics."

Hill & Knowlton may had have qualms about Scientology, but the church had every reason to view hiring Hill & Knowlton as the equivalent of buying a Mercedes Benz or a Rolex. The New York-based company was then the nation's largest PR firm, with a heavyweight client list that included scores of Fortune 500 companies. The jewel of Hill & Knowlton's empire was the operation it had built, at great cost, in Washington. Gray, who'd left for a while to start his own firm, Gray & Company, had been lured back in 1986 with a \$21 million buyout; he returned with a team that included some of the most high-powered

lobbying talent in the capital, people like Frank

Mankiewicz, former press secretary for Bobby Kennedy

and chief executive of National Public Radio, and Gary

Hymel, former top aide to House Speaker Tip O'Neill.

But inside, the juggernaut was under stress. With the acquisitions had come a bloated, high-salaried staff and costly office space, and the Washington operation was under pressure to slash expenses and generate revenue. To exacerbate the uncertainties, Hill & Knowlton had a new owner. For most of the 1980s the PR giant had been part of JWT Group, which also owned the J. Walter Thompson advertising agency. A few months before Gray met with the Scientologists, however, JWT had been swallowed up in a hostile takeover by a British outfit named WPP Group. Once an obscure manufacturer of shopping carts — its initials stood for "Wire and Plastics Products" - WPP had been transformed by a then-41-year-old London financier named Martin Sorrell who dreamed of building a global advertising and public relations empire. WPP had paid \$566 million for JWT, nearly twice what the company was trading for on the open

market. Hill & Knowlton would find itself pushed hard to generate income to pay off that debt.

So it was good news for Gray when his investigators reported that they had discovered no criminal activity by Scientology leaders; Gray gave the go-ahead for the lucrative relationship. Along with other Hill & Knowlton staffers, Gray was soon steeping himself in the teachings and history of the new church. In December of 1987 Gray and his staff received a two-day briefing from Scientology president Jentzsch and "Religious Technology Center" chairman David Miscavige, described in news reports as Hubbard's successor. At Scientology's expense, Gray flew to California, and the Scientologists gave him a tour of their 12-story world headquarters in Hollywood. The Scientologists gave Hill & Knowlton a full library of their scripture, plus a good number of Hubbard's 6,000 taped lectures, and the 12 volumes of detailed directives on administration of the religion. Hill & Knowlton staffers would devote half the time they billed to the church — which sometimes exceeded \$100,000 a month — simply to studying Scientology.

Even before he'd finished checking up on Scientology, Gray had proposed that Hill & Knowlton could help the religion attract new members. "We don't need any help with that," Scientology's Weiland recalls telling the PR firm. The Scientologists were more interested in countering bad press; they presented a file with a decade's worth of unflattering news articles to Hill & Knowlton executives. "We wanted them to help us deal with these negative perceptions," Weiland explains.

It seemed a tall order. But when Hill & Knowlton commissioned a poll on attitudes about Scientology, the firm made a surprising discovery. Thirty years' worth of court cases, newspaper exposés, and deprogrammers' condemnations notwithstanding, only 20 percent of the public had even heard of the Church of Scientology. "Recognition was surprisingly low, which was heartening to us," recalls a former Hill & Knowlton executive who worked on the account. "It was less of a fully completed canvas than we had thought."

In a contract approved by the church in August of 1992, Hill & Knowlton laid out a plan to give Scientology's image a radical makeover. One of its avowed goals: "Develop activities designed to bring the church into the mainstream of society." Hill & Knowlton envisioned expanding Scientology's already extensive media machine, which included a publishing

house and a film studio in Palm Springs. It wanted to explore the production of feature films laden with Scientology messages, and proposed TV and radio programs that would serve as "controlled media vehicles." To deal with reporters, Hill & Knowlton would help select and train spokespeople for the church, and would develop a "grassroots member response network" which would try to shape the coverage of local newspapers, radio, and television stations.

Hill & Knowlton hoped to supplant the critics' picture of Scientology as a manipulative cult with the image of a wholesome faith whose civic-minded members tutored inner-city kids, cleaned up the environment, and vigorously opposed drug abuse. The PR firm promoted an anti-drug rock concert in Boston, a children's singing group that visited hospitals in Chicago, and a "Plant Seattle Green" program. Scientology was identified as the sponsor at these events, but there was no direct effort to recruit new members or distribute literature.

Hill & Knowlton also came up with the idea that Narconon, a church-supported organization Scientology modestly touted as "the most effective rehabilitation program there is," should open a 25-bed drug clinic in crack-plagued Washington. There, addicts would be treated with a regimen of saunas and megavitamin doses originally prescribed by Hubbard himself, and would practice Dianetics-like therapy. The PR firm offered to help obtain the necessary permits and city council support, envisioning that the clinic would open its doors by the end of 1991.

In one sense, the church was a flack's dream; the Scientologists were detail-oriented, precise, and listened diligently to Hill & Knowlton's counsel. Members of Weiland's staff in Hollywood were in daily contact with

Unlike, say, Jesus, L. Ron Hubbard hadn't believed in turning the other cheek. the PR firm. "They were very enthusiastic and receptive, and a good client in that respect," recalls a former Hill & Knowlton manager who worked extensively on the account.

But in dealing with the press, the employee explains, "what sometimes got in the way was the

church's teachings themselves." Unlike, say, Jesus, L. Ron Hubbard hadn't believed in turning the other cheek; the Scientologists' response to what they saw as hostile press was to hire private detectives to investigate the reporters.

"The advice from Bob Gray and myself was that they needed to be more conciliatory and more patient in their approach, and not as combative," recalls a former lieutenant to Gray. "They would attract more flies with honey."



The Scientologists paid big bucks largely to buy the access that Hill & Knowlton promised. They believed the image that Gray cultivated of himself as a Polonius who whispered into the ears of the powerful. That image was part illusion; in her book on Hill & Knowlton, *The Power House*, journalist Susan Trento describes how Gray would seek to impress visiting reporters by talking into a dead phone, pretending that it was a call from the White House. But the PR firm was hardly impotent. H & K heavyweight Frank Mankiewicz once took Weiland to New York for a meeting he had arranged with *Business Week* publisher John Patten; the two persuaded Patten that, despite complaints from antichurch activists, he should publish Scientology ads.

It wasn't surprising, then, that the Scientologists would ask for Hill & Knowlton's help on another key issue. From the start, Scientology leaders had informed Hill & Knowlton of their antipathy toward psychiatric drugs and psychiatry; the profession took a dim view of Hubbard's "modern science of mental health." At the time Scientology hired Hill & Knowlton, its anti-drug organization, the "Citizens Commission on Human Rights," was busy waging a campaign against Ritalin, a drug prescribed to hyperactive children.

Now, in early 1990, the Scientologists had a new target: Prozac, the anti-depressant medication widely hyped as the wonder drug of the 1990s. While therapists talked optimistically of "listening to Prozac," the Scientologists attacked the drug as a menace that could drive users to suicide and murder. They pointed to cases such as Joseph Wesbecker, a Kentucky man who'd gone to his workplace a month after he began taking Prozac and killed eight employees with an AK-47. Scientology portrayed Wesbecker as a man driven mad by Prozac—though, as the *Wall Street Journal* would report, Wesbecker had a history of suicide attempts and violent fantasies during periods when he wasn't taking the drug.

The Scientologists hoped to instigate a congressional investigation of Prozac. For help, they turned to Gary Hymel, the well-connected lobbyist who was one of

Gray's franchise players. In March of 1990, Hymel set up a meeting between members of the Citizens Commission on Human Rights and Mike Barrett, a staffer with the Investigations and Oversight Subcommittee of the House Energy and Commerce Committee. The Scientologists gave their spiel, but nothing came of it. "It wasn't an issue the committee would deal with," another congressional staffer recalls.

But hundreds of miles away, in the Indianapolis headquarters of Eli Lilly, something did come of that congressional visit. Eli Lilly Vice President of Corporate Affairs Mitchell Daniels picked up his phone and called Gray's boss, Robert Dilenschneider, in New York. The two men knew each other from their work on Dan Quayle's vice presidential campaign two years before. Is it really true that Hill & Knowlton has a relationship with the Church of Scientology? asked Daniels, who'd gotten word of the Scientologists' trip to the Hill, Dilenschneider admitted it was.

Eli Lilly executives were incredulous: They did \$5 million a year in billings with J. Walter Thompson, the ad agency that was a sister of Hill & Knowlton in the WPP empire. And this was what they got — Bob Gray

and his bunch taking the Scientologists up to the Hill, helping them knock Eli Lilly's second-highest-selling product, one that racked up \$780 million a year in sales. It wouldn't do.

Lilly officials decided they would take care of things the polite way. They'd gently but firmly put the arm on Hill & Knowlton's owners, let them come to the right decision on their own.

In early August 1990 WPP chief Martin Sorrell flew to Indianapolis for a meeting with Eli Lilly vice president Eugene Step. Sorrell likely knew Lilly's position already; further down the corporate food chain, a Lilly man had passed the word to J. Walter Thompson that if Sorrell would sever ties with Scientology, Lilly would be flexible on the time frame for the termination of that contract. If not, Sorrell might as well stay in London.

In Indianapolis, Sorrell tried to put the matter plainly to Step: various parts of WPP were autonomous, and Hill & Knowlton was one of them. Sorrell didn't like to interfere.

Scientology and Hill & Knowlton are entitled to have a business relationship, Step responded. Lilly had no quarrel with that. But wasn't WPP in an intolerable con-

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flict of interest, representing an entity which was at war with Lilly?

What do you want to do? Sorrell asked.

We would prefer not to run your business, Step told him. It's your call.

Sorrell hated to lose either client. Scientology, after all, was the third-biggest account in Hill & Knowlton's office. Eli Lilly, though, was a bigger fish. Public relations always comes up a loser to advertising, Sorrell said.

That seems like a good business decision, Step responded.

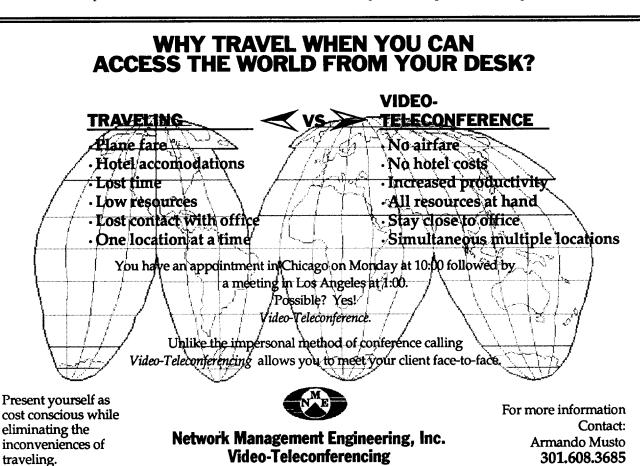
When Gray heard that Eli Lilly was making trouble, he tried to counter by preparing a letter for Dilenschneider to give to Sorrell. Over the past two and a half years, Gray wrote, the church officials "patiently have taught us the intricacies of their religion and their worldwide efforts to promote it." The church had been a model customer, and "it would professionally be unconscionable to desert them now over a non-germane issue involving a non-client of this firm." But Gray cared about more than professional ethics; he also feared

Hill & Knowlton might have to pay back Scientology's initial fee and costs. Dilenschneider, though, didn't pass the letter along.

Trouble was brewing elsewhere inside Hill & Knowlton. In late November the firm's European CEO, David Wynne-Morgan, wrote a memo to New York warning that the U.S. operation's link to Scientology was threatening all of H & K's European pharmaceutical business. Word was starting to get around about the Scientology contract. In Europe, where several governments had come down hard on the church, that meant trouble.

Gray tried to defuse such criticisms by arguing that Hill & Knowlton's representing Scientology was *good* for the pharmaceutical industry; the PR agency could moderate the church, soften its attacks on drug companies.

For a PR firm to give one client advice in order to benefit other clients' business seems a clear conflict of interest. But Hill & Knowlton's Washington office didn't stop there. The firm was vying for a potentially lucrative contract with SmithKline Beecham to promote a new anti-depression drug, Paxil. The drug was similar to



Prozac and designed to compete with it. In an internal memo, a staffer in Hill & Knowlton's Washington office noted Scientology's opposition to psychiatric drugs and recommended a preparedness campaign in case the Scientologists mounted an attack on the new drug. In a later deposition the staffer, who now works for another firm, would contend that he did not use inside information that Hill & Knowlton had gleaned from representing Scientology.

Federal Judge Stanley Sporkin, who oversaw the Scientology-Hill & Knowlton litigation, would view the situation differently. "There is adequate evidence in the record to support CSI's claim that its relationship with H & K was one of great sensitivity, based on trust and confidence, and that H & K breached that relationship," he wrote in a March 1994 memorandum.

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By year's end Eli Lilly was growing increasingly irritated. Hill & Knowlton had told the Scientologists that, because of the conflict of interest issue, it could do no more work on the Prozac campaign. But that wasn't good enough for Eli Lilly. By helping Scientology improve its image, Hill & Knowlton was still boosting the credibility of Scientology's attacks. So Lilly told J. Walter Thompson that it might pull its advertising. As a shot across the bow, Lilly cancelled the one contract it had with Hill & Knowlton, a \$160,000-a-year account with H & K's British operation.

More and more, Sorrell was breathing hard down Hill & Knowlton's neck. He'd already told Dilenschneider, Gray's boss, that he felt the church was not an appropriate client for Hill & Knowlton. Now Sorrell was calling Dilenschneider and putting him under what the Hill & Knowlton executive would later describe as "enormous pressure."

In late 1990 and early 1991, the church had other things to worry about. Richard Behar, a reporter for *Time*, was working on a big story about Scientology. Behar had written a caustic article on the church for *Forbes* in 1986, estimating Hubbard's personal fortune at \$200 million and describing the church as "one of the most lucrative businesses around." The Scientologists wanted Hill & Knowlton to do something to mitigate an article they suspected would be a reprise.

At Scientology's behest, in late 1990 Mankiewicz had consulted a source inside *Time* and reported back that the story wasn't even scheduled yet. The Scientologists were still concerned. "I kept talking to Hill &

Knowlton," Weiland recalls. "I'd say, 'Look, guys, something is going on.' They'd say, 'We're in Washington, we can't do anything."

Meanwhile, Eli Lilly continued to turn up the heat. In early April at the annual stockholders' meeting, Lilly

Hill & Knowlton would say, "We're in Washington, we can't do anything." chairman Dick Wood lamented that Scientology's attacks on Prozac were a cause of Lilly's falling stock price. Later that month, Ron Burns of J. Walter Thompson and Eli Lilly executive Gary Clark discussed the situation. Clark was both conciliatory and blunt. He told Burns

that while he appreciated the urgency and seriousness with which WPP was dealing with the Scientology situation, Eli Lilly's tone on the issue would be changing. It will be an all-out war, he explained, and anyone associated with the enemy will be dealt with accordingly. If Lilly didn't hear from J. Walter Thompson that the Scientology account had been cancelled by summer, the pharmaceutical giant would begin interviewing other advertising agencies.

On Sunday, April 28, *Time's* article on Scientology hit the street. Entitled "The Thriving Cult of Greed and Power," it charged that the church was a "ruthless global scam" that bilked followers of their life savings and had driven one true believer to suicide.

Despite their well-connected PR advisor, the Scientologists were caught by surprise. For the next two frantic days, Weiland and other Scientology officials in Los Angeles were constantly on the phone with Gray and other Hill & Knowlton staffers in Washington. According to Weiland, there were disagreements about strategy. Hill & Knowlton tried to dissuade the church from lashing out against Eli Lilly, whose fingerprints the Scientologists felt were all over Behar's scathing prose. Gray reportedly counseled a softer approach; he talked of an opinion piece defending Scientology in Newsweek.

On Tuesday, as the Scientologists continued the long-distance debate with their PR advisors, they were unaware of fateful events coming to a head. In Philadelphia, SmithKline Beecham executives confronted Hill & Knowlton, with whom they had just signed a \$1.5 million contract to promote the drug that would compete with Prozac. The drug company had seen the *Time* article, which mentioned Hill &

Knowlton's relationship with the church, and was not pleased that the PR firm had neglected to inform them of the connection. The deal, they informed Hill & Knowlton, was off.

Gray was caught in an agonizing squeeze. As he later explained in a deposition, "I felt very strongly, because I identified with [Scientology's] positions and its people." He hated to give up the revenue flowing into the Washington office. "But I couldn't be unsympathetic to other offices where they were losing enormous amounts of business because of our continued representation."

That same day, Dilenschneider wrote to Sorrell and confirmed that Hill & Knowlton would no longer be representing Scientology.

On Wednesday, May 1, Gray, as a courtesy, called Gerald Feffer, the Williams & Connolly attorney who had originally sent the church to Hill & Knowlton, and confided to him that the PR firm would be bowing out. But the Scientologists themselves apparently remained in the dark. On Thursday, May 2, according to the church's lawsuit, a Hill & Knowlton official contacted the church and suggested that prompt payment of the latest \$300,000 bill would enhance Hill & Knowlton's ability to respond to the Time article. Scientology paid up. That evening, however, Weiland talked to one of Gray's assistants, who intimated that something was amiss. Scientology executive David Miscavige tried fruitlessly to track down Gray, who finally called him the next day, Friday, May 3, to break the news: Scientology and Hill & Knowlton were kaput.

Hill & Knowlton had acted just in time. The same day that Gray called Miscavige and Feffer, Lilly told J. Walter Thompson it had decided to drop the agency. Sorrell staved off the cancellation by calling Indianapolis to tell them Scientology was history.

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The affair left an unpleasant aftertaste in the mouths of Hill & Knowlton's Washington executives. "It was evident that Martin Sorrell and others had been blackmailed, or intimidated, or extorted into dropping the account," says the former Hill & Knowlton executive who sat in on Scientology's initial presentation.

By December 1991, Dilenschneider had been forced out of the New York headquarters. Gray hung on long enough to garner the title of Hill & Knowlton chairman, but the promotion was largely ceremonial; WPP's English management was moving to take greater control of the firm. From then on, all clients had to be approved

by a committee headed by European CEO David Wynne-Morgan. In the summer of 1992 Gray was replaced as head of the Washington office by lobbyist Howard Paster. Shortly after, Gray retired, moved to Miami, and started his own boutique agency. , 1

The Scientologists dug in their heels with a tenacity that would have made L. Ron Hubbard proud. They mounted their own counterattack against *Time*, spending \$3 million on an ad campaign in *USA Today*. The ads blared the sort of shrill rhetoric that Hill & Knowlton had counselled against, linking *Time* and Eli Lilly with Adolf Hitler.

Hill & Knowlton's desertion, church officials complained, killed many of their ambitious image-enhancing projects, such as the Washington drug rehab clinic. The church was not about to let that slight go unanswered.

In May of 1992, Scientology filed its suit in federal court in Los Angeles against Hill & Knowlton, in addition to WPP, Sorrell, and Eli Lilly. In a press release, church president Jentzsch used the occasion to level yet another attack upon Prozac, charging that the drug caused "a great many more dead and injured than the L.A. riots."

Meanwhile, Hill & Knowlton has been struggling to rebuild. Since 1990 the firm's fees have dropped by 29 percent, and the one-time industry kingpin has slipped to third behind Burston-Marsteller and Shandwick. Paster, now chairman and CEO of Hill & Knowlton, has indicated that Hill & Knowlton is less eager these days to take on controversial clients, no matter what they pay.

The Scientologists don't seem to have suffered too badly. Last August, a week after Scientology lawyers finished deposing witnesses in the since-settled Hill & Knowlton lawsuit, a much more upbeat event took place at the First Baptist Church on Randolph Street NW. As television cameras recorded the scene, the Clinton administration's drug policy director, Lee Brown, raised his right hand and joined 50 District schoolchildren in pledging to serve as a "drug-free marshal." Until he got up on stage, Brown later admitted to the Washington Post, he hadn't known that the event was sponsored by the Church of Scientology. Nevertheless, he had no qualms about taking part. "Anything that [can] be done to minimize the number of youths who are involved in drugs, we want to be involved in," Brown concluded. Hill & Knowlton's counsel about the virtues of a subtle soft-sell seemed to be paying off after all. ®

- Patrick J. Kiger profiled Jim Miller in the May-June Regardie's.