

## Billion-dollar battle ahead for Toyota to rebound from recall

Experts say it will take huge marketing effort to regain reputation

■ BY RICH THOMASELLI [adageeditor@adage.com](mailto:adageeditor@adage.com)

TOYOTA MOTOR CORP. is facing a multi-billion-dollar hit to its brand image and reputation for high quality in the wake of its disastrous recall and sales halt of an unprecedented 2.3 million vehicles over eight models.

In what many are likening to the 1982 Tylenol scare, Toyota can only hope this has the same outcome, except there is one crucial difference: Tylenol rebounded due to an aggressive and proactive communications plan from Johnson & Johnson, while Toyota at press time had remained all but silent.

When it's all tallied up—lost profits from dealers stuck with stock they can't move while they await word on how the faulty accelerator pedal that caused the



problem will be fixed; a halt in production at plants that are virtually shut down; and the substantial cost in advertising it will take to regain shaky consumer confidence—some experts estimate the damage to be in the billions of dollars. "This is devastating, and this is not a blip," said Peter DeLorenzo, a former automotive advertising and marketing executive who

### CRISIS-COMMUNICATIONS 101:

Toyota should take lessons from Tylenol in how to communicate to consumers following its faulty accelerator debacle. **See P. 21**

runs [autoextremist.com](http://autoextremist.com) and authored the book "The United States of Toyota."

Even given that staggering figure, the dollars and cents might be the least of Toyota's woes right now. "We are at a pivotal moment in automotive history," Mr. DeLorenzo said. "Toyota had been at the top of the heap in this industry, from word-of-mouth to ratings to quality to customer satisfaction. Toyota has skated along as the bulletproof car company. That moment has passed. They're not

See **TOYOTA** on Page 21

## COKE TAKES JUICE LEAD FROM PEPSI

Marketer maintains disastrous Tropicana restage wasn't at fault

■ BY NATALIE ZMUDA [nzmuda@adage.com](mailto:nzmuda@adage.com)

WHILE THERE'S STILL some debate about the fallout from Tropicana's much-maligned redesign, this much is for certain: Coca-Cola has usurped the top slot from PepsiCo in fruit-juice share.

PepsiCo blames a surge in private label for its share falloff rather than the repackaging and there were inevitably other factors at work in what was an action-packed year for the usually predictable orange juice category, which is the single largest juice type within the fruit-juice category.

Not only did Tropicana embark on its redesign, Minute Maid introduced its own redesign, and Florida's Natural took aim at both PepsiCo's Tropicana and Coca-Cola's Simply brand with a "Made in the USA"-themed campaign. Then there was the swine-flu outbreak that

**CORPORATE SHARES** Coke juice brands cumulatively overtook those of Pepsi



See **JUICE** on Page 21

## Now's the time to reset marketing for post-recession

Walmart, Allstate, Hyundai, others adjust messaging, media in advance of upturn

■ BY JUDANN POLLACK [jpollack@adage.com](mailto:jpollack@adage.com)

YOU CAN LEARN A LOT from a clown.

Walmart is running a brutally slapstick and outrageously funny spot showing a dad dressed as a clown at his kid's birthday party. The dad accidentally skewers his foot on a sharp-edged unicorn toy, screaming at the top of his lungs and sending panicked children running for cover.

The commercial dovetails nicely with the messaging that enabled it to navigate the downturn so skillfully—the purchase of the costume was made possible by the savings generated by shopping at the everyday-low-price retailer. But at the same time, it's not aimed solely at the low-income consumers that once comprised much of its consumer base. The spot is also gaining viral traction from the higher-income consumer that "discovered" Walmart during the downturn.

In short, it's a guidepost for how to market your way into the recovery. Though there's still widespread disagreement

See **OUT OF RECESSION** on Page 22

## Can YouTube rake in Google-size revenue?

Popular video service's best hope for meaningful monetization lies in search

■ BY MICHAEL LEARMONTH [mlearmonth@adage.com](mailto:mlearmonth@adage.com)

YOUTUBE IS THE WORLD'S No. 2 search engine—behind only its parent company's search engine, Google.com—but does that mean it can monetize like one?

The difference could decide whether YouTube becomes a mildly profitable media business based on home-page ads and video campaigns, or if it can scale like Google search, tapping a world of small advertisers using self-serve tools to bid on keywords.

Harnessing video search is the latest focus for YouTube, under the gun to contribute meaningfully to Google's bottom line. Over the past year its home page became as close to a must-buy as exists on the web for entertainment adver-

See **YOUTUBE** on Page 19



## DON'T LOOK FOR THIS GUY IN THE SUPER BOWL

Well, at least not during the commercials. Pitchman Peyton Manning will play plenty, but won't be found anywhere during the ad breaks.

➔ Read the story on **P 4**

## THIS WEEK

Your guide to highlights from Ad Age and Creativity

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## BOB GARFIELD:

The screams of a clown earn Walmart's latest spot a pretty good rating from AdReview.



# Big Red goes completely green at Olympics

In ambitious eco-friendly push, sponsor Coca-Cola vows to produce zero waste during the Vancouver games

■ BY NATALIE ZMUDA [nzmuda@adage.com](mailto:nzmuda@adage.com)

WHEN THE VANCOUVER Olympic Games kick off on Feb. 12, visitors will find café furniture made from pine-beetle-salvaged wood, drink out of bottles made from 30% plant-based materials, and their beverages will be delivered via hybrid vehicles and electric cart. All are elements of Coca-Cola's first zero-waste, carbon-neutral sponsorship.

The effort has been years in the making, beginning with a relatively simple recycling effort for the Athens Olympic Games in 2000. Since then the company has layered in additional elements, like environmentally friendly coolers and shirts made out of plastic bottles.

"The world is evolving. The focus of the consumer is also changing," said Thierry Borra, Coca-Cola's director-Olympic Games management. "One thing that we know from the research is that sustainability is important to all of our customers and consumers. It has an impact on how consumers are perceiving

our brand."

While corporate sponsors and event producers have been incorporating more eco-friendly elements in the last couple of years, Coca-Cola is one of the first major marketers to embark on a zero-waste, carbon-neutral sponsorship of an event as complex as the Olympic Games.

"It's aggressive for them to do it today and not set it as some future mission," said Andrew Winston, a sustainability consultant working on the U.S. bid for the World Cup and author of two books on green business. "The standard for what is expected of a sponsor or partner at a big event is rising pretty fast. This will definitely raise the bar."

Other corporate sponsors should take note. Mr. Winston believes it won't be long before conversations between events or organizations and sponsors evolve to include sustainability. "It won't purely be about who's going to pay the millions for [the sponsorship], but what

See **NO WASTE** on Page 18

## A LOT ADDS UP TO ZERO

How Coke is being sustainable at the Olympics

■ All coolers, approximately 1,500 of them, will use eKOfresh technology, nearly eliminating direct greenhouse gas emissions and reducing indirect emissions.

■ A fleet of diesel-electric hybrid heavy-duty vehicles will deliver beverages from bottling facilities to the venues. Within the venues, electric carts will be used to deliver beverages.

■ The tables and displays at the "Far Coast" café in the athlete's village are made of wood salvaged from the pine-beetle epidemic in British Columbia.

■ Menu boards will be made of recycled materials.

■ All staff uniforms—everything but underwear and shoes—will be



made of recycled bottles; in their welcome bags, athletes will receive T-shirts made of recycled bottles.

■ Recycling bins will be scattered throughout the venues in an effort to divert 100% of recyclable waste from landfills.

■ Coke's PlantBottle will be used for all sparkling beverages and water. Compostable cups and lids will be used for coffee.

■ Purchase of carbon offsets for air travel, as well as on-site transportation.

■ Within the Olympic Village, athletes will be encouraged to make a pledge to help the environment.

■ "Green Teams" have canvassed the Olympic Torch Relay route to clean up and recycle waste. All handouts have been recyclable, including aluminum bottles for sampling.

■ Torchbearers were selected based on essays with an environmental theme.

## Chrysler's Marchionne: 'You'll see screw ups, I guarantee you'

Auto chief makes no apologies for bold mission to change brand's DNA

■ BY BRADFORD WERNLE [bwernle@crain.com](mailto:bwernle@crain.com)

I WAS TALKING WITH an old college friend the other night when he asked me what I was writing about these days.

"Covering Chrysler," I said.

"Really? I thought they were out of business."

His perception makes it painfully clear what Chrysler Group CEO Sergio Marchionne is up against.

During the Detroit auto show, Mr. Marchionne acknowledged the challenge: "We've looked at this. Is there a perception in the marketplace that Chrysler is still bankrupt? Or even if we're out, then we're not going to make it?"

Unlike many CEOs, Mr. Marchionne is intimately involved in the details of advertising and communications. And he's willing to defy conventional wisdom in Detroit to shake the company out of its sales doldrums with a different kind of message.

Under the watchful eye of the boss,



"I don't mind that people say 'I hate this piece' or 'I don't like what I saw, I would have done it differently,'" said Mr. Marchionne. Chrysler's ads are "designed to be different from the rest."

the company has been running a spate of new ads, some of them unorthodox. A Chrysler brand ad embraced a human-rights campaign on behalf of a Burmese pro-democracy activist. A Jeep ad showed clocks but no Jeeps.

Hard-pressed dealers want ads that show product attributes and incentive programs—ads that sell cars now. Mr. Marchionne understands that but says he's building brands to ensure the company's long-term survival. He says

See **CHRYSLER** on Page 18



### FLATTERING LIGHT:

A character in "Perro Amor" plays with Ford Fusion's ambient light using seven different colors to find his lady love's best hue.

## IT'S NO COINCIDENCE EVERYONE IN THIS SPANISH SOAP DRIVES A FORD

■ BY LAUREL WENTZ [lwentz@adage.com](mailto:lwentz@adage.com)

IN A WORLD OF DUAL screens, Telemundo and Ford are trying to redefine branded programming.

The automaker's cars will star in Telemundo's new Spanish-language novela "Perro Amor," but they'll also be integrated into webisodes that give viewers a virtual peek into various Ford vehicles, from the multimedia system to the ambient lighting to the trunk.

Viewers can follow the heroine, Sofia, online and navigate a virtual version of her Ford Fusion Sport, peeking

at Sofia's text messages or iPod playlist as they try out the car's multimedia system and other features.

Another character, a young man who fits the profile of an aspirational Fusion owner, will be introduced in the novela in late February then spun off into three Ford-related webisodes. He'll tweet, too. It helps that the character, Kike Sanchez, owns a small car wash called La Perla and is a car enthusiast. In the novela he might see lead character Antonio putting a bag in the trunk, for

See **TELENOVELA** on Page 19



## MORE ON ADAGE.COM

## GODIN'S 'LINCHPIN'

Josh Bernoff says Seth Godin may be polarizing and his work lacking hard statistics, but his latest book is "remarkable."

➔ Buy the book  
[AdAge.com/bookstore](http://AdAge.com/bookstore)



## MARC BROWNSTEIN

Like it or not, ad agencies find themselves living in a project-based world. Quit longing for the past and follow these four tips to not only survive but thrive.  
[AdAge.com/smallagency](http://AdAge.com/smallagency)

## JASON SPERO

Media buyers are being asked, "What's your mobile strategy for 2010?" Here are five things you need to know about buying mobile media in 2010.  
[AdAge.com/smallagency](http://AdAge.com/smallagency)

## CURT HANKE

When was the last time you really thought about your agency's values? Or used them as a tool to create clear expectations for your employees and clients?  
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## EDITOR'S NOTE



ABBEY KLAASSEN  
[aklaassen@adage.com](mailto:aklaassen@adage.com)

Notice something different about Ad Age this week? We're introducing a new look to better uncover the breadth and depth of our content. Allow me to show you around.

In this space, we'll be pointing you to our best stuff, whether it lives in print or pixels, such as our in-depth white paper on the economics of digital video or our interview with the chief marketing officer of the U.S. Olympic Committee. We've also reworked and expanded our Viewpoint section (pages 12-14), bringing more voices into the mix and curating the liveliest conversations from our site and around the web. Viewpoint will also be the new home for the Media Guy's bi-monthly column (and if you can't wait until next Monday, get your dose of Simon Dumenno throughout the week on AdAge.com).

In the process, we've erased some section designations, since digital, media and multicultural stories live throughout our pages—as evidenced this week.

Many will decry print is dead. I couldn't disagree more. A front-page headline in 50-point font can still set an industry's agenda and this week is no exception. We take a hard look at how one of the decade's best marketers tries to work itself out of the biggest challenge its brand has faced and we dig into how companies are using marketing to ease out of the recession.

But today quality content trumps delivery channel and that's why one thing is certain: We'll continue to provide business intelligence for marketers, media and agencies in whatever form you want to receive it.

Let me know what you think of the issue.

But today quality content trumps delivery channel and that's why one thing is certain: We'll continue to provide business intelligence for marketers, media and agencies in whatever form you want to receive it.

# Why local TV stations shouldn't be satisfied with coming windfall

If medium doesn't reinvent, \$300M infusion represents 'dead-cat bounce'

■ BY BRIAN STEINBERG [bsteinberg@adage.com](mailto:bsteinberg@adage.com)

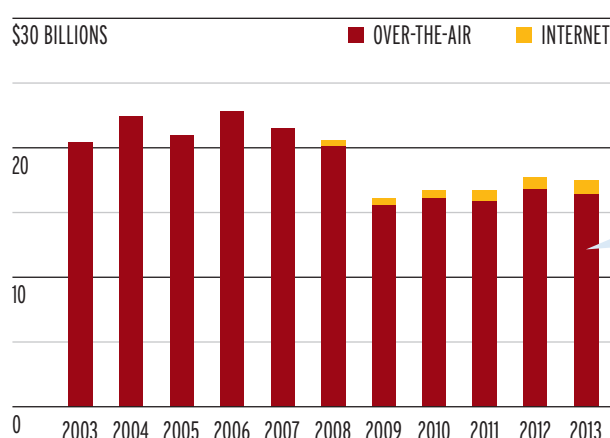
THINGS SEEM TO BE looking up for WFSB, a Hartford, Conn., TV station that is also a CBS affiliate. After suffering through a "very tough" first nine months of 2009, Klarn DePalma, senior VP-general manager, said he's noticed an uptick in spending by automakers and local dealerships; telecommunications providers; local furniture chains; and pharmaceutical marketers.

But while a pop in ad money is exciting—midterm political elections and the Supreme Court ruling allowing more direct spending by corporations, unions and wealthy individuals on such campaigns could drop an extra \$250 to \$500 million on local TV—it belies a potential danger: lulling stations into avoiding the necessary reinvestment and reinvention their business model requires.

For his part, Mr. DePalma is keeping his wits. To focus solely on the ad dollars, he said, would be "short-sighted." He also wants to develop new content-delivery ideas that bring in other revenue.

Who ever thought TV stations would look at ad money as just one piece of the pie? Yet they face an uncertain future, and there's fear the recent developments

INCHING UP TV station revenues 2003-2013



SOURCE: BIA/KELSEY

that have many local-TV executives excited are just phenomena that could be called a dead-cat bounce. The new vein of money "may hide some of the underlying issues we see coming up over the long haul," said David Cooperstein, research director at Forrester Research.

A host of new digital devices let consumers watch their favorite programs without ever having to tune in to a local CBS, ABC or Fox station. So smart TV executives are working to create new

methods of content distribution and build other revenue opportunities even as they try to keep a steady flow of ad dollars coming through the door. Even so, Mr. Cooperstein suggested, the majority of the business wants to muscle through with old, once-reliable methods that may no longer work in a new-media world. "Local affiliates have not been known for being long-term strategists," he added.

See **LOCAL TV** on Page 20

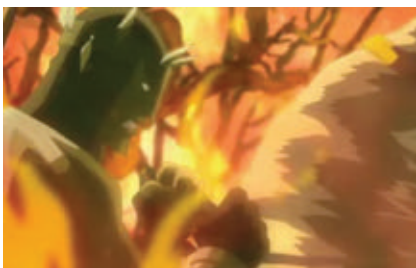
# Sorry, EA, CBS may damn going to hell

Game maker's 'Inferno' tag unlikely to make end run by Super Bowl censors

■ BY BETH SNYDER BULIK [bbulik@adage.com](mailto:bbulik@adage.com)

YOU CAN'T SAY "go to hell" in a Super Bowl commercial, but you can vividly depict the journey, which is what Electronic Arts plans to do with its first-ever Super Bowl ad promoting its coming video game "Dante's Inferno."

There is already some hellacious buzz about the third-person action game based on the classic epic poem "The Divine Comedy" by Dante Alighieri and his imagined nine circles of hell. Players descend down through levels including greed, lust, anger and heresy, battling beasts and demons on the way to rescue Beatrice, Dante's love, from Lucifer himself. The Feb. 7 launch comes from EA, a marketer more commonly known for comparatively tame sports titles, and will go to combat with the latest installment in Sony's established mega-franchise "God of War 3," being released a month later.



EA has been marketing the game for nine months now with a variety of promotions and stunts, including a mock protest by actors portraying religious devotees who were opposed to the game; a "Spend the Holidays in Hell" free game download in December; and a "Save 666 Pennies" (\$6.66) promotional discount on 9/9/09 (sixes upside down) for pre-orders through retailer Game Stop.

The Super Bowl is "the perfect culmination of the 'Highway to Hell' and the 'Nine Months of Hell' [marketing] cam-

➔ "Dante's Inferno" goes to war with "God of War III," which is battling back with a tie-in with 7-Eleven, including its own Slurpee. Read the story on [AdAge.com](http://AdAge.com)

paign leading up to the launch," said Phil Marineau, EA senior product manager. Wieden & Kennedy, Portland, is the agency.

EA's road to the Super Bowl is paved with intentions to steal thunder from Sony PlayStation's "God of War 3," a game to which "Dante's Inferno" has constantly been compared by reviewers. USA Today's Brett Molina wrote in his game review after playing a demo version: "To say 'Dante's Inferno' takes inspiration from the ... 'God of War' franchise is a huge understatement."

The "Inferno" launch, moreover, is

See **HELL** on Page 20

## THE ECONOMICS OF ONLINE VIDEO



AD AGE  
WHITE PAPER

ON SALE:  
JAN. 18

More U.S. viewers watch web video than watch recorded TV on DVRs and it claims a bigger share of time spent on the web than email. Ad Age will bring some sense to this fast-moving sector, which is a work in progress and changing almost as quickly as Ad Age can cover it. How should video be measured and valued? How have marketers used video to their advantage? Who is going to win in the video space and why?

➔ For more info [adage.com/whitepapers](http://adage.com/whitepapers)

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ADAGE.COM: [AdAgeEditor@adage.com](mailto:AdAgeEditor@adage.com). Also see masthead on, page 13

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Advertising Age (ISSN 0001-8899) Vol 81, No. 5 Published weekly, except for the third week of March, the first and third week of July, the first, third and fifth week of August, the fourth week of November, and the first and third week of December by Crain Communications Inc. at 360 N. Michigan Ave, Chicago, IL 60601 - 3806. Periodicals postage paid at Chicago and additional mailing offices. POSTMASTER: Send address changes to Advertising Age, Circulation Department, 1155 Gratiot Avenue, Detroit, Mich. 48207-2912. \$3.99 a copy, \$149 a year in the U.S. In Canada: \$5.00 a copy, \$199 per year, includes GST. Europe and Mexico \$349, all other countries \$419, includes a one-year subscription and expedited air delivery. "Canadian Post International Publications Mail Product (Canadian Distribution) Sales Agreement No. 40012850" GST #136760444. Canadian return address: 4960-2 Walker Road, Windsor, ON N9A6J3. Printed in U.S.A. Four weeks' notice required for change of address. Address all subscription correspondence to Circulation Department, Advertising Age, 1155 Gratiot Avenue, Detroit, Mich. 48207-2912 1-888-288-5900. Microfilm copies are available from University Microfilms, 300 N. Zeeb Rd., Ann Arbor, Mich. 48103. Microfiche copies are available from Bell & Howell, Micro Photg Division, Old Mansfield Rd., Wooster, Ohio 44691. Ad Age is available for electronic retrieval on the NEXIS® Service (800 227-4908) and Dow Jones & Co. (800 522-3567).



# You'll see Manning on the field, but not in Super Bowl ad breaks

Endorser's brands Mastercard, Sony, DirectTV, Sprint absent from game

■ BY JEREMY MULLMAN [jmullman@adage.com](mailto:jmullman@adage.com)

FEW IF ANY athletes have been harder to avoid during commercial breaks than Indianapolis Colts quarterback Peyton Manning. But, barring any last-minute reversals, it appears football's most prolific endorser could be sidelined during a Super Bowl in which he'll be playing a starring on-field role.

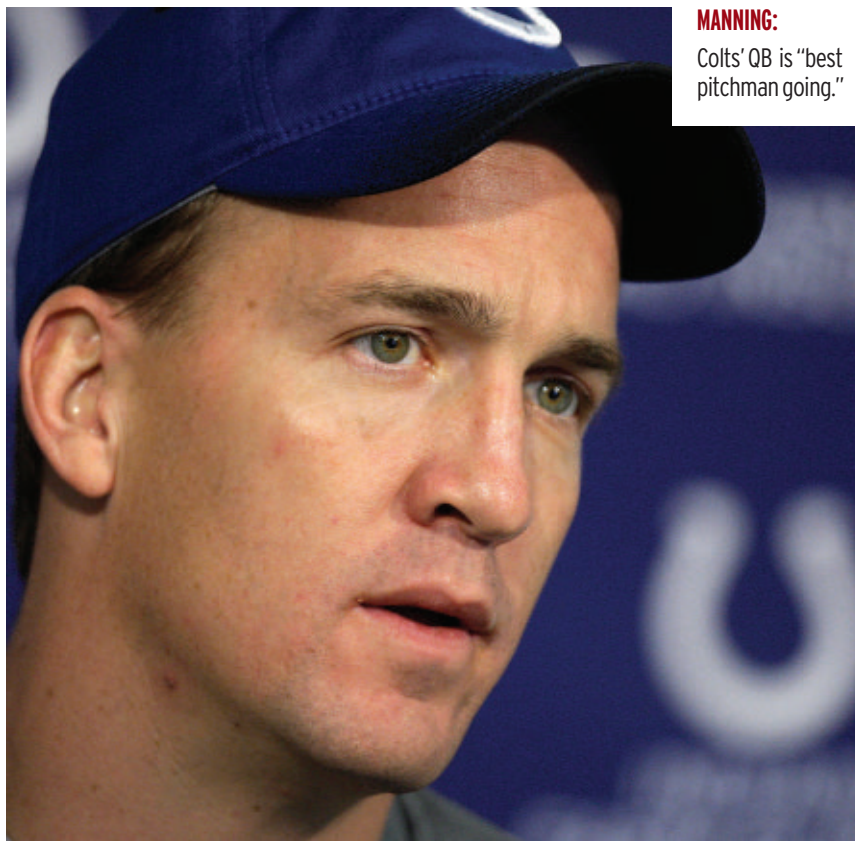
That says less about Mr. Manning's still-potent appeal than it does about the Super Bowl itself, which is increasingly associated with lesser-known brands rather than the blue-chip marketers that have been traditionally aligned with Mr. Manning.

None of Mr. Manning's myriad brand-backers—a group that includes MasterCard, Sony, DirecTV, Gatorade and Sprint—are currently slated to run any Super Bowl ads.

Sprint, despite being an official sponsor of both the game and the NFL, as well as having active endorsement deals with Mr. Manning and the game's other quarterback, Drew Brees, is using its only Super Bowl spot for a secondary brand, Boost Mobile. (That effort will feature the 1985 Chicago Bears reprising their "Super Bowl Shuffle" music video.)

Pepsi's Gatorade is another major Manning backer that bought time a year ago but isn't returning this year, a casualty of PepsiCo's decision to pull its entire beverage portfolio from the game.

Of course, Mr. Manning's backers are hardly the only major brands to skip the game this year. Pepsi, FedEx and General Motors are among the usual Super Bowl advertisers that have walked away, and in their place are lesser-known, smaller-budgeted brands such as KGB and HomeAway that either can't afford the likes of Mr. Manning or are reluctant to have their brands overshadowed by a



MICHAEL CONROY

major celebrity.

"It has nothing to do with Peyton's desirability, because he's probably the best pitchman going," said Patrick Quinn, president of Chicago Sports & Entertainment partners, a sports-marketing firm.

Indeed, Mr. Manning's appeal has little to do with his absence from the big game.

Davie Brown Entertainment, which publishes a much-cited index of celebrity attributes, ranks Mr. Manning in the top 25 endorsers out of the 2,400 it tracks, with a score comparable to George Clooney and Morgan Freeman. He gets

high grades for other attributes as well, with an "influence" rating comparable to Tom Brokaw and an "aspiration" rating similar to Denzel Washington.

"It's absurd" that Mr. Manning won't be used by marketers in a Super Bowl, said Darin Perry, director of corporate sponsorship at Millsport, the sports-marketing agency of the Marketing Arm. But Mr. Perry did note the inherent risk of using someone starring in a live event in ads during that time. If Mr. Manning performs poorly during the game, it could diminish the impact of ads starring him, or even open them to ridicule.

"There is some risk there," he said.

## WHY THE SAINTS FANS WILL BE TWEETING FROM DROIDS

ARS: Colts loyalists love Doritos, Pizza Hut; Big Easy fans favor Wendy's, Dr Pepper

■ JACK NEFF [jneff@adage.com](mailto:jneff@adage.com)

THE NEW ORLEANS Saints already have beaten the Indianapolis Colts in the popular vote, with 57% of Americans planning to watch the Super Bowl citing a preference for the Saints.

But a lot more separates Colts and Saints fans than team preference in the Super Bowl: They also have differences in wealth, gender, automotive and smartphone makes, restaurant choices and even soft drinks that might come as a surprise to marketers heading into advertising's biggest show on earth.

Those are the findings from the ARSgroup's BrandProfiler, a tool that segments brand preferences. The Evansville, Ind.-based firm, which also serves as a copy-testing service in the U.S. for Procter & Gamble Co. and many other marketers, used the Super Bowl as

a chance to show that football fans aren't as uniform as some marketers might imagine. The results are based on a nationwide online survey of 300 men and 300 women.

While the Saints beat the Colts 57% to 43% among the expected audience on Sunday, according to ARS, any other day the fan base of Colts would be bigger (among loyalists who prefer the Colts or Saints over all teams, not just among those competing in the Super Bowl). But the Colts' edge in loyalists isn't that big (only 2%) given the relative success of the franchises over the years, likely because the Saints draw loyalists from a much larger mid-South coastal region than the Colts, hemmed in to the northwest and southeast by Chicago and Cincinnati.

The Saints were more likely to pick up undecided followers of other teams, said

Ashley Grace, president-business development of ARS (including President Obama). That's likely because New Orleans is relatively well known, particularly among coastal residents who swung heavily in their favor, and because the Hurricane Katrina story creates empathy, he said.

The Saints won the hearts of America primarily on the male vote. Only 34% of those rooting for the Saints on Sunday are female, vs. 48% of those rooting for the Colts.

Saints fans are more affluent than average and dislike advertising in general more than average, while Colts fans are less affluent but about average for advertising tolerance. Both Saints and Colts fans, however, like Super Bowl ads more than average, according to ARS.

See **FAN FACTS** on Page 20

## COUNTDOWN TO THE BIG GAME: DIGEST OF ADAGE.COM'S LATEST SUPER BOWL NEWS

### WHO'S BUYING WHAT IN THE SUPER BOWL

Want to know what marketers are planning for this year's Super Bowl? Check out Ad Age's annual chart of who bought what for the big game. The chart will be continually updated as we get closer to the game and more information becomes available. Follow coverage on Twitter with the hashtag #sbads.

### CLYDESDALES MAY SUIT UP FOR GAME AFTER ALL

Reports of the Clydesdale's demise may have been premature. Just a day after previewing its Super Bowl advertising lineup—sans the storied Scottish horses for only the third time in 15 years—Anheuser-Busch is paving the way for its icons to gallop back into the big game, consumers willing. VP-Marketing Keith Levy said A-B received a new edit of a previously rejected Clydesdale spot (from Budweiser agency DDB) shortly after it finished briefing media members on its plans yesterday. Mr. Levy now says the company will post the Clydesdale spot, along with two competing ads, on Budweiser's Facebook page. If consumers want the Clydesdales, Mr. Levy said, they'll have them.

### BREES' ENDORSEMENT CAREER JUST TAKING OFF

In toppling Brett Favre's Vikings to reach the Super Bowl, New Orleans Saints quarterback Drew Brees may have already won himself a place as the NFL's next great pitchman. On paper, Mr. Brees is a marketer's dream, with a story that includes not only on-field success but also a prominent role in the rebirth of New Orleans.

### PAPA JOHN'S FINDS WAY INTO GAME

Papa John's has found a clever path to the Super Bowl: The chain will run a 30-second spot just before halftime for the latest installment of its "Papa's in the House" campaign—but its check for the ad time will be written to the National Football League, not to CBS. Papa John's chief marketing executive, Andrew Varga, declined to give the price of his company's deal, or confirm that a 30-second spot from the NFL costs less than the \$3 million asking price from CBS. The spot was to be filmed at the Pro Bowl this past weekend, showing founder and CEO John Schnatter delivering pizzas at that game in the hopes that it will look like a Super Bowl giveaway.

### MANCRUNCH SWEARS SPOT ISN'T A STUNT

A spokesman for gay dating site Mancrunch announced it was trying to get an ad into the Super Bowl, but wasn't having any luck with CBS. The marketer said it isn't trying to show CBS up or make a political statement. It's simply done the math and thinks the Super Bowl is the best place for the brand. By the end of the week, the network had officially rejected the ad. In a statement, CBS said: "After reviewing the ad—which is entirely commercial in nature—our Standards and Practices department decided not to accept this particular spot. As always, we are open to working with the client on alternative submissions."

### IS TEBOW HURTING HIS FUTURE MARKETING POTENTIAL?

University of Florida star and National Football League hopeful Tim Tebow might have thrown a penalty flag on his own future marketing ability by appearing in an anti-abortion ad scheduled to air during the Super Bowl, say sports-marketing experts. In an era when most athletes rarely, if ever, delve into politics or social causes, Mr. Tebow will be appearing in a 30-second spot for the Colorado-based conservative Christian group Focus on the Family. Mr. Tebow is appearing in the ad with his mother, who contracted dysentery through contaminated drinking water in the Philippines in 1985 and was advised by her physician to have an abortion, because the medication she would take would likely cause damage to the fetus.

### INTEL RETURNS TO THE GAME

After more than a decade, Intel returns to the Super Bowl this year to kick off a campaign for its 2010 Intel Core Processor, billed as its biggest product launch in five years. One 30-second ad will run in the fourth quarter and two will run after the game; Intel is title sponsor of the post-game show.

➔ Keep up with Ad Age's Super Bowl coverage at [AdAge.com/superbowl10](http://AdAge.com/superbowl10)



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# Forget big budgets and names: What broadcast

How the network scored by creating stars from scratch with reality programming

■ BY ANDREW HAMPP ahampp@adage.com

AS NBC RETRENCHES from its latest attempt to reinvent broadcast TV, perhaps it should look to its soon-to-be corporate sibling E!. Since 2007, the Comcast Entertainment cable network has developed a successful, highly profitable take on the old broadcast network formula—find and create accessible stars and watch the viewers pour in, but for fractions of the cost of a single episode of “Heroes” or “Law & Order.”

For decades, broadcast networks have only been as profitable as their biggest shows. Hiring more expensive, established stars for big-budget scripted programs has become a declining business for all of network TV, so it's easy to understand why the network was hoping to put a cheaper and proven commodity in its prime-time lineup.

Meanwhile, cable TV has excelled at creating the next celebrity from scratch through much cheaper, unscripted reality TV. Enter E!, which has always been in the business of Hollywood news and entertainment coverage, but up until three years ago never had any talent it could call its own beyond Joel McHale (“The Soup”) or E! News’ Giuliana Rancic and Ryan Seacrest, himself already an established host of “American Idol.”

An experimental summer of new programming in 2007, featuring the likes of Denise Richards (“Denise Richards: It's Complicated”), Ali and Dina Lohan (“Living Lohan”), Chelsea Handler (“Chelsea Lately”) and Kim Kardashian (“Keeping Up With the Kardashians”), changed that. Within months, E!’s home-

## E! BY THE NUMBERS

### 55 MAGAZINE COVERS

■ In the last six months, E! talent has been on more magazine covers (55) than that of any other cable net.

### E! ONLINE

■ Eonline.com was up 57% year-over-year in 2009 to 11.1 million monthly unique visitors.

### “KEEPING UP WITH THE KARDASHIANS”

■ E!’s highest-rated show in network history attracted 4 million viewers a week in its fourth season. It also banked \$18.4 million in measured-ad spending

during the first 11 months of 2009, according to Kantar Media.

### “KOURTNEY & KHLOE TAKE MIAMI”

■ The “Kardashians” spinoff attracted an average 2.1 million weekly viewers, breaking the previous record for its timeslot set by “Kendra.” The show made \$10.8 million through November 2009.

### “KENDRA”

■ The “Girls Next Door” spinoff became E!’s highest-rated series in seven years on Sunday nights. The show grossed \$8.3 million through November 2009.

### “THE SOUP”

The talk-show roundup attracts an average 1.1 million weekly viewers during its initial airings on Friday nights. E!’s most-DVRed show adds an extra 400,000 viewers after seven days of time-shifted viewing are factored in.

### “CHELSEA LATELY”

Comedian Chelsea Handler and her talk show are watched by an average 800,000 viewers a night, but she attracts the youngest median age (36) and more 18- to 34-year-old women than any of her male network peers.

grown talent was being mentioned in the pages of the tabloids that E! had spent years competing with, while simultaneously being covered by its own news team.

E!’s formula is to create an alternate universe of reality-based celebrities who have become just as famous as the sitcom and drama stars in network prime-time, but with more impact on E!’s brand and bottom line than any sitcom, medical procedural or legal drama could for broadcast.

“The thing about reality TV is, if you go about your development right, people will make the news, and eventually they’ll make the covers,” said Ted Harbert, CEO of Comcast Entertainment.

Mr. Harbert came to E! in 2006 with a

pedigree for discovering and building some of broadcast’s biggest talent from his days as president of entertainment at NBC and chairman of programming at ABC. As broadcast continues to become a nearly zero-sum game in cash flow, Mr. Harbert saw the opportunity to create something far more organic and profitable at E!

“If you look at broadcast, take the ratio of hits to the unsuccessful shows. Then look at what they’re paying their cast, \$20,000 to \$50,000 a week, and that cost per rating point, that doesn’t pan out,” he said. “You’re better off in every single respect if you grow talent from within.”

However, E! has a bit of a ways to go before it becomes one of the most cash-

➔ Ad Age reporter Andrew Hampp recently sat down with E! star Chelsea Handler. Read the interview at [ADAGE.COM/MADISONANDVINE](http://ADAGE.COM/MADISONANDVINE)

flow-positive networks on cable. Derek Baine, a cable analyst for SNL Kagan, said virtually all cable networks are more profitable than broadcast networks, which eke out a 5% to 10% profit margin these days “if they are lucky.” Mature cable networks such as VH1, TLC and E!’s future corporate sibling Bravo all have cash-flow margins in the 50% to 60% range, while E!’s was at 36.5% in 2009, putting it in the upper middle tier of 180-plus cable networks tracked by SNL Kagan.

“One of the issues is they have a really tiny license fee, so they don’t have as big of a budget as some of the other cable networks,” Mr. Baine added, referring to the cost-per-subscriber fees paid by cable operators. E! gets a much smaller license fee for its content than, say, ESPN, and as those fees make up half of E!’s revenue, it contributes to a smaller budget.

It was the “Kardashians” that proved the homegrown talent formula could really work for reality shows in 2009. In less than three years and five seasons, the show has shattered virtually every ratings record in the network’s history—thanks in large part to the sports-star engagements and pregnancies of its stars Kim, Kourtney and Khloe.

The real-time interest in E! celebs’ personal lives has created a conundrum of sorts for Lisa Berger, E!’s head of programming, and her team of programmers and producers: Will fans still want to watch shows about real-life events they’ve already read about months ago in People?

“The viewers actually wait for it in show-time vs. real-time,” Ms. Berger said. “We can tell the story ... with details that the tabloids don’t get, and we also have a family at ‘E! News’ who can tell

## HOW ‘GLEE’ MARRIED TV AND MUSIC TO CREATE A NEW MONEymaking MODEL

Performances from the Fox show’s cast have spawned millions of downloads and a tour

■ BY BRIAN STEINBERG bsteinberg@adage.com

“GLEE” IS OSTENSIBLY a show about a group of high-school misfits and nerds whose common love of song helps them get through the trials of adolescence. Yet in the real world, the cast—and its songs—are winning a popularity contest.

Tied to the show’s storylines, the cast’s performances become so sellable (see box, facing page) that the program’s production studio, News Corp.’s 20th Century Fox, believes it could have a new TV-show model on its hands, not unlike the kind of revenue juggernaut “American Idol” introduced.

“In addition to the normal market opportunities that a highly watched show brings you, we have this entirely additional aspect to the show—the music,” said Gary Newman, one of the chairmen of Twentieth Century Fox Television. A “Glee” tour is in the works, and producers also have solo albums in mind for various cast members. Licensed merchandise could be possible by next fall.

So far, the show has spawned more than 4.2 million downloads of songs featured in its episodes, as well as two gold albums. Viewers may be familiar with the cast’s takes on such tunes as Journey’s “Don’t Stop Believin’” or Beyoncé Knowles’ “Single Ladies.”

Thanks to new digital technology, “Glee” could set a precedent for monetizing TV programs. Yes, TV shows have long thrown off licensed T-shirts and lunchboxes, DVDs and syndicated reruns. But there’s something to be said for taking pieces of content generated within a program and selling them as separate products. “American Idol” has given rise to this way of thinking: A contestant sings, makes it big and starts a music career, and the show and its producers have a hand in all the content generated. But what if backers of scripted programs attempted to devise a formula all their own?

Of course, “Glee’s” fortunes aren’t certain. Let’s not forget, many other programs have attempted to meld songs with stories (does anyone recall “Cop Rock” or

“Viva Laughlin?”) and failed to catch on with the viewing public. But “Glee’s” mid-season finale, aired Dec. 9, attracted about 9.91 million viewers according to Nielsen, a nice uptick from the approximately 8.96 million who watched its debut in early September. Top advertisers in the program include Walmart Stores, AT&T, Warner Brothers and Apple, according to TNS Media Intelligence.

The “Glee” model represents a new twist in the marriage of TV shows and music. Typically, songs are used to draw viewer interest in specific moments of an episode of “Grey’s Anatomy” or “Gossip Girl.” Music labels rush to get new acts woven into hit programs, and the TV shows get fresh tunes that add sheen to the production. Indeed, the CW regularly uses new songs in its shows, and often drives viewers to its website to buy them. In exchange, said Leonard Richardson, the network’s VP-music, the network often gets a reduced fee for use of the song.

But that’s usually where such stuff ends. “Glee” produces its own music,



### NOT YOUR HIGH SCHOOL'S GLEE CLUB:

The cast of “Glee” has taken on songs such as “Single Ladies” and “Don’t Stop Believin’.

which can then be sold for revenue. Twentieth and the record label that distributes and markets the music, Sony Music’s Columbia, share in the revenue and the studio puts the money back into the cost of producing the show at present.

Many programs take as many as five years to reach profitability. That’s when revenue from syndication usually starts to kick in, though sales of DVDs that collect episodes of various shows have altered the formula. But as “Glee” starts to make money, the hope is that music sales will create more profit than would be possible for a more-traditional program.

To turn hope into reality, the studio has already taken steps to keep those performances under its control. Back in February 2009, 20th Century Fox screened the “Glee” pilot for a bevy of



# can learn from E!

the story the next day, too."

As proof, the fifth season of "Kardashians" continues to achieve series-high ratings on a weekly basis, and a December special of "Girls Next Door" veteran Kendra Wilkinson's, "Kendra: Here Comes Baby," was watched by a series-record 2.7 million viewers.

Having its own name-brand talent inspired E! to create its first on-air image campaign using only the network's stars, debuting this week to the tune of Adam Lambert's "For Your Entertainment."

Those stars' newfound fame has helped E!'s stars attract endorsement deals they almost certainly wouldn't have attained on their own. Kim Kardashian has become the poster child of this new model, booking a Carl's Jr. ad, a spokeswoman deal with Quick Trim and a controversial Twitter account that charges sponsors \$10,000 a tweet.

"It's like a jigsaw puzzle sometimes," said Kris Jenner, the mother and manager of the Kardashian clan and co-creator of "Keeping Up With the Kardashians," of the demand for her daughters' endorsements and personal appearances. "When I get a product that comes across my desk, you have to stop and say, 'Does this really make sense for my brand? Is this something the girls would actually use?'"

It's that demand among marketers and event promoters to become associated with E!'s biggest stars, as well as their side consumer-product launches, that has Mr. Harbert angling for a way to get a cut of stars' ancillary revenues through new methods of contract negotiations.

"Kim Kardashian goes and makes a fortune on her clothing line and her new perfume and Quick Trim commercials, all these side businesses I don't participate in.



## "KEEPING UP WITH THE KARDASHIANS"

In less than three years and five seasons, the show has shattered virtually every ratings record in the network's history.

I'm trying desperately. We're trying to say to talent, 'Hey man, if we're making you rich, maybe we should start getting a cut off it.' But at the same time, if people have a business of their own, we don't go sticking our hands in their pockets."

Still, E!'s cachet is rising among advertisers, with ad revenue expected to surpass the \$200 million mark for the first time in 2009, up 6% from \$192 million in 2008, and a 50% increase from 2004, according to SNL Kagan estimates. Based on ad revenue, E! is on par with NBCU's Bravo, which was also around the \$200 million mark in 2009, according to SNL Kagan.

Although some advertisers may be skittish about some E! shows, the overall zeitgeist effect generated by shows like "Kardashians" and "Chelsea Lately" can make many brands hold their noses when placing media buys.

Said Shelley Watson, senior VP-entertainment at Santa Monica-based media agency RPA: "There are some advertisers who would probably be more content-sensitive and more apt to be cautious, but if you're a young, hip culture brand, a network that pretty much over-delivers females from the age of 12 up to 49 can be a pretty valuable network."

"If you look at broadcast, take the ratio of hits to the unsuccessful shows. Then look at what they're paying their cast, \$20,000 to \$50,000 a week, and that cost per rating point, that doesn't pan out. ...You're better off in every single respect if you grow talent from within."

## SOMETHING TO SING ABOUT

Whereas shows such as "Grey's Anatomy" weave in pop music and can boost a band, "Glee" produces its own music that can be sold for revenue. And sales are going strong.

■ **"Glee: The Music, Volume 2"** has sold 472,086 copies to date and is currently No. 22 on Billboard's Top 200 chart

■ **"Glee: The Music, Volume 1"** has sold 677,571 copies to date and is currently No. 27 on Billboard's Top 200 chart

■ To date, there have been 4,284,998 downloads of "Glee" songs

■ **Glee songs that have made the Top 25 on iTunes** (with the highest chart position reached):

**Don't Stop Believin'** (No. 1)

**Somebody To Love** (No. 3)

**Alone** (No. 8)

**Take a Bow** (No. 11)

**Sweet Caroline** (No. 11)

**Keep Holding On** (No. 12)

**My Life Would Suck Without You** (No. 9)

**It's My Life/Confession Pt II** (No. 9)

**Halo/Walkin On Sunshine** (No. 12)

**Don't Rain On My Parade** (No. 13)

**Last Christmas** (No. 14 on Top 25, No. 1 in holiday songs)

**Maybe This Time** (No. 15)

**You Can't Always Get What You Want** (No. 15)

**Defying Gravity** (Cast Version) (No. 16)

**Smile** (Cover of Charlie Chaplin Song) (No. 20)

**I'll Stand by You** (No. 21)

**Endless Love** (No. 24)

SOURCE: 20TH CENTURY FOX

record executives, only to choose Sony's Columbia because executives there understood "the primary asset here is the show," said Dana Walden, co-chair, 20th Century Fox Television. "Any individual recording career that comes out of this is icing on the cake, but no individual effort can be greater than the sum of what's going on in the series."

"Glee" has other things working in its favor. Because the songs are performed by the show's cast, producers only have to pay for publishing rights to the tunes, not

performance rights. And thanks to the use of multiple songs in each episode, producers and Columbia Records are able to release those tunes strategically to goose interest in each episode and to keep fans interested in the days between airings of new programs, said Rob Stringer, chairman of the Columbia/Epic Label Group.

"Glee" is on hiatus, with original episodes slated to return in April. In the meantime, the producers are focused on building the program's base of fans, which they say are known as "Gleeks."



## FROM TV TO THE BILLBOARD CHARTS:

The show has spawned two gold albums.

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The network's unparalleled slate of original programming propelled A&E to new heights in 2009 - finishing its best year ever as the #4 cable entertainment network against 25-54. Six years of consecutive growth prove that A&E's got what viewers want and 2010 won't disappoint! Expect to see great new original programming within our established franchises like the Emmy-winning *Intervention*, *Gene Simmons Family Jewels*, *The First 48* and *Steven Seagal Lawman*... and buckle your seatbelts for new real life series launches like *Kirstie Alley's Big Life* and *Bob Saget's Strange Days*.

And get ready... A&E's next big original drama series is in the works for a summer launch.

[www.AETV.com](http://www.AETV.com)

### Source:

NMR/Star Trak, M-Su/8-11pm, P25-54 (000), Live+SD. A&E Best Year = 1993-2009. #4 Rank = 12/29/08-12/27/09, Excludes sports.



## MAN VS. WILD DISCOVERY CHANNEL

Bear Grylls is back in action. This time, he's not just showing you how to *stay* alive, he's showing you how to *be* alive... and that's why we love him.

The 1/20/10 premiere of Man vs. Wild exceeded the 1Q09 time slot average (WED 9-10PM), with double-digit gains among P25-54 (75.6%) / M25-54 (82.4%) / W25-54 (61.4%) / P18-49 (77.2%) / M18-49 (69.1%) / W18-49 (94.8%).

**Man vs. Wild. A new season of adventures, Wednesdays at 9pm e/p on Discovery Channel.**

Check out [discovery.com/bear](http://discovery.com/bear) for the latest video and Bear's Top Ten List.



# Most Promising Minority Students Program



Creating New Leaders,  
Expanding Inclusion in Advertising

An important component of the next generation of advertising industry professionals will be celebrated this week as the American Advertising Federation hosts the 14th class of Most Promising Minority Students. The Most Promising class of 2010 will embark upon a three-day experience that was originally designed as a response to the all-too-frequent lament, “I would like to hire more minority students to work at my company, but I have a hard time finding them.”

The AAF found them in their college chapters, eager to trade their dorm rooms for corner offices (or at least cubicles). The industry responded and recruited them. The Most Promising program is a win-win situation both for students, who want to pursue a career in advertising, and for the industry, which recognizes that diversity of thought results in a positive return on investment.

The Most Promising program, which debuted in 1997, was the first tangible display of the AAF’s commitment to assist in the effort

to have a more diverse work force within the advertising industry. The students who participate in the program are nominated by their college professors and selected by a panel of industry professionals. Selected students participate in professional development seminars and industry immersion activities but, more important, they meet with recruiters to discuss entry-level employment opportunities as well as internships, in addition to receiving valuable career advice. Students also have the opportunity to network with top industry ex-



# CHOOSE





ecutives and receive one-on-one mentoring.

"The whole event is centered on the students and their accomplishments," says James Edmund Datri, president-CEO of the AAF, which serves more than 40,000 members representing national and local professionals from ad agencies, client companies and media organizations as well as college students. "The United States is becoming more and more multicultural. It is vital that we continue to develop inclusion programs that will provide the industry with professionals from varied cultural and ethnic backgrounds. And it's important that their educational experience is complemented with a practical aspect. This combination can only lead to success."

Success is the only option, says Constance Cannon Frazier, the organization's point person on multiculturalism and education programs. As exec VP-corporate programming and development, Ms. Frazier believes that "the best way to promote inclusion to the industry and enhance entrepreneurial innovation is to

cultivate excellence in aspiring practitioners."

Throughout the Most Promising program, Ms. Frazier, a former advertising professor at Howard University, makes a point of stressing to the students that it's great that they were selected to participate in the program, but that the journey has really just begun. Now it's up to them to take full advantage of the opportunity and to demonstrate that they have prepared and are more than capable of meeting the challenge.

This approach has attracted the attention of Fortune 500 executives, several of whom have supported the program since its inception.

"Being an inclusive industry is not just some feel-good notion," says Frank Cooper, senior VP-chief consumer engagement officer, PepsiCo Americas Beverages and chairman of the AAF board. "A multicultural workplace is an absolute business necessity as we seek to communicate with various cultures."

Research and alumni feedback prove the Most Promising experience stays with stu-

dents throughout their careers and helps with retention of minority talent. Many recruiters say the Most Promising program is the place to be if a company is interested in finding top talent in advertising, marketing and media.

Claudette Simmons, VP-training, talent development and diversity for Team Detroit, says Most Promising is vital to the industry because there are few programs specifically targeting minority students. She says her involvement brings out not only her hard-charging professional side but also some nurturing instincts. "I feel like a proud mom when I see students I've met as freshmen honored as seniors," Ms. Simmons says. "We are all aware of the challenges faced in attracting diverse talent to the industry. This program is unique because it attracts the cream of the crop and puts them all in one spot for us to consider for our agencies."

Her advice to both recruiters and students is based on experience.

She recommends participants push them-

## AAF MOSAIC PRINCIPLE 2 HELPS CREATE DIVERSE WORKPLACE

A key element in the success of AAF's Most Promising Minority Students program is Principle 2 of the AAF's "Mosaic Principles and Practical Guidelines."

Adherence to "Principle 2 has the greatest impact on our Most Promising Minority Students program because it advocates multiculturalism in the workplace," says Constance Cannon Frazier, the AAF exec VP who heads the organization's Mosaic Center, which develops and implements AAF's programs and policies on diversity.

"Principle 1 suggests identifying and taking advantage of growth opportunities in multicultural markets. Principle 3 suggests requiring accountability and measurable results. Overall, these suggested standards present a unique opportunity for agencies, clients and media companies to recognize that a more inclusive industry will help all of us meet the economic and business challenges ahead. But we believe Principle 2 spotlights the importance of hiring diverse and trained students of color."

### PRINCIPLE 2:

- Generate ideas and profits by practicing inclusiveness and fairness.
- Establish goals and accountability systems tied to the upward mobility of people of color.
- Tie executive compensation to achievement of diversity goals.
- Hire, train, retain, develop and promote more multicultural professionals.
- Support and participate in industrywide recruitment, professional development and retention efforts.
- Encourage business partners, vendors and suppliers to implement multicultural recruitment and human resource development initiatives.

Companies that endorse the Mosaic Principles and Practical Guidelines and incorporate these practices into their hiring policies create a more inclusive work environment and experience greater productivity, AAF says.

Information about AAF's diversity initiatives and a PDF download of the Mosaic Principles and Practical Guidelines, including endorsers, are available online at AAF.org.

# PEPSI

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selves because “this is a highly competitive industry. Continue to reach for the stars and do things that will set you apart from your peers. You will not regret the sacrifice and effort.”

To colleagues, she says, “Support this program. The caliber of talent you’ll get far outweighs the financial investment.”

Keisha Vaughn, senior director-leadership development, Draftfcb, says staying connected means recognizing the difference between candidates who are so-so and those who are ready to step into the workplace. “Recruiting talent is easy; recruiting top talent is not,” Ms. Vaughn says. “It’s important to stay connected and support industry programs such as the [Most Promising]. This helps recruiters connect with [a diverse group of] professional students and expand our networking efforts.”

“Involvement in [Most Promising] is rewarding, not only because it fosters partnerships with industry leaders, but it gives our organization the opportunity to build a pipeline of multicultural talent,” Ms. Vaughn says. “It has allowed us to hire and recognize out-



James Edmund Datri



Constance Cannon Frazier

standing talent based on their ability to deliver strong outcomes and contribute to their company, industry and community.”

Says Ellen K. Pickle, department VP-associate recruitment at J.C. Penney Co., “The standards used for selecting the Most Promising Minority Students align perfectly with the type of talent that we desire for our organization. In addition to the academic standing and strong passion for the business, it is critical to have well-rounded individuals who possess leadership potential, diversity of thought and passion for the community.”

“As a supporter and recruiter, the hardest part is figuring out how to hire all of the students,” says Felicia Geiger, VP-director, diversity and inclusion, Deutsch. “They are exemplary and have a true passion for the industry and an inherent understanding of the business. [Most Promising] is a fantastic program where every participant is a potential hire.”

Hundreds of students have successfully gone through the experience and link their current success to participation in the program and the passion of professional mentors who gave them a competitive advantage.

Hannah Moore is a Most Promising class of 2009 alum and former Draftfcb intern who appreciates the connection between Most Promising and opportunity. “My [Most Promising] internship at Draftfcb was the perfect internship I could have had before entering the work force. The Most Promising Recruiters Expo allowed me to connect with so many different agencies at the recruitment events, and it helped me land my internship at Draftfcb as well as my current job at McCann Erickson,”

says Ms. Moore, an assistant account executive for the agency. “The most unique aspect of the program is the interview day; it’s like speed dating for jobs. It forced me to prepare for interviews, and I felt I could tackle any interview moving forward.”

Ms. Moore’s internship provided an entree to a number of professional mentors and a chance to learn firsthand about various parts of the business. Her advice to other students: “Stay sharp, be creative and do your research.”

Determination and a positive attitude are qualities James Cho says will yield desired results. The class of 2008 alum says tough economic times will require even more toughness and spirit, and the Most Promising mentoring and networking gave him confidence.

“It may be difficult to land the dream job you have always wanted. That does not mean that you are not qualified or cut from the right cloth,” says Mr. Cho, now promotion planning associate for General Mills’ Motorsports. “You just have to keep following as many job leads as possible and keep an upbeat attitude.” ■

### Job Areas of Most Interest to the Most Promising Students

▶ Advertising account executive/account management	49%	71%	62%	66%
▶ Marketing	34%	33%	54%	36%
▶ Research/account planning	39%	42%	44%	25%
▶ Art direction	36%	27%	22%	30%
▶ Copywriting	n/a	n/a	20%	12%
▶ Media planning	12%	n/a	20%	27%
▶ Ad sales	12%	n/a	14%	n/a
▶ Media buying	n/a	n/a	8%	16%
▶ Web design	n/a	n/a	2%	n/a
▶ Sales	n/a	n/a	n/a	7%
	2006	2007	2008	2009

Source: AAF Academic Profile and Employment Surveys

### What Influenced the Most Promising Students’ Decision to Study Advertising

▶ Ads in the media	35%	44%	42%	48%
▶ College professors	28%	22%	28%	36.4%
▶ Aptitude tests	22%	n/a	24%	32%
▶ College advisers	18%	26%	20%	29.5%
▶ Advertising professionals	n/a	33%	26%	27%
▶ Friends	n/a	n/a	26%	18%
▶ Depictions of advertising careers in TV or movies	16%	33%	42%	21%
	2006	2007	2008	2009

Source: AAF Academic Profile and Employment Surveys

## Most Promising Alums Speak Out



“The program is leading our industry in the right direction, by not only honoring young minority students for their accomplishments but by recruiting them to establish a work force that connects with the diverse landscape that is our society today. Our generation is the face of the new consumer: a multifaceted, tech-savvy, super-connected group that translates across cultures.”

— Gabriel Garcia

Assistant digital media planner  
Team Detroit  
Most Promising class of 2009



“The program provided unique opportunities and really opened the doors for me. Not only did it differentiate me from other candidates applying at competitive advertising agencies, it provided me confidence needed to excel at the interviews. Right out of college, I was able to land jobs.”

— Min Jung Tavella

Director-customer marketing and communications  
Kellogg Co.  
Most Promising class of 2007



“I landed my first job out of college at an ad agency through one of the interviews arranged over that award weekend. No matter where my career takes me, I will always be grateful for that experience and all the people who put this special program together.”

— Vicky Li Yip

Freelance media planning consultant, writer, blogger  
Most Promising class of 2001



“I remember when I first found out that I was accepted into AAF’s [program]—I literally let out a squeal in class. I knew that so many more opportunities were being opened to me, and I was right—I got three internship offers at the program.” But, she says, the program is just the beginning of their hard work. “You have to be on your ‘A-game’ and be aggressive in introducing yourself and meeting as many company representatives as possible.”

— Angela Tran

Promotion marketing planning associate  
General Mills, Snacks Division  
Most Promising class of 2008

Congratulations to **the winners**  
of the AAF’s 2010 Most Promising Minority  
Students program. In the mosaic of  
college talent, **you are the tiles that stood out.**



## MOST PROMISING FINALISTS

**Sarah Ann Adhami**  
University of Tennessee—Knoxville

**Shari Allen**  
Penn State University

**Esmeralda Almanza**  
University of Texas at El Paso

**Chelsea Anaya**  
University of Texas at Austin

**Ebony Arnold**  
Grand Valley State University

**Kandace Barker**  
Howard University

**Owen Michael Black**  
University of South Carolina

**Brooke Ashley Camit**  
Brigham Young University

**Patricia Leigh Cancro**  
University of Virginia

**Gabriel Carrillo Jr.**  
Texas State University—San Marcos

**Jamie Chan**  
University of Texas at Austin

**Victoria Chu**  
Penn State University

**Daniela Contreras**  
University of San Francisco

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Emerson College

**Pamela Diaz**  
Florida State University

**Nicholas Foster**  
University of Missouri—St. Louis

**Stacy Gilbert**  
Ithaca College

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University of Nebraska—Lincoln

**Rachel Hom**  
University of Oregon

**Shabaz Hussain**  
Southern New Hampshire University

**Carolina Iglesias**  
University of Florida

**Jessica Jones**  
University of Illinois at Urbana Champaign

**Michelle Kordahi**  
George Washington University

**Amanda Krieger**  
Grand Valley State University

**Nhu Ngoc Le**  
University of Texas at Austin

**Diana Maes**  
University of Illinois at Urbana Champaign

**Michael George McConnell II**  
The Art Institute of California—San Diego

**Christopher Mendez**  
Penn State University

**Nicole Mitchell**  
University of Illinois at Urbana Champaign

**Deanna Moreno**  
University of Illinois at Urbana Champaign

**Ata Movassaghi**  
Ithaca College

**Kristen Murata**  
Emerson College

**Ashley E. Newman**  
University of Illinois at Urbana Champaign

**Sandra Hieu Nguyen**  
University of Texas at Austin

**Yu-Kyoung Oh**  
University of Texas at Austin

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University of Florida

**Cynthia Panganiban**  
University of Illinois at Urbana Champaign

**Chazzen Pettiford**  
Howard University

**Karina Portuondo**  
University of Florida

**Jonathan Priester**  
Boston University

**Avishag Ravid**  
The Art Institute of California—San Diego

**Hannah Schrag**  
Oklahoma State University

**Monica Sharma**  
Southern Methodist University

**Jacqueline Tam**  
University of Texas at Austin

**Kelly Togashi**  
Penn State University

**Amanda Villarreal**  
University of Illinois at Urbana Champaign

**Elizabeth Wolbach**  
Ithaca College

**Christopher Wong**  
Liberty University

**Crystal Wong**  
The University of New Mexico

**Shaghayech Zakerion**  
University of Oklahoma

## MOST PROMISING NOMINATORS

**Tobe Berkovitz**  
Boston University

**Robyn Blakeman**  
University of Tennessee—Knoxville

**Karolyn Cannata-Winge**  
University of New Mexico

**Cunhyeong Ci**  
Texas State University—San Marcos

**Christopher Cutri**  
Brigham Young University

**Donna DiGioia**  
The Art Institute of California—San Diego

**Bonnie Drownian**  
University of South Carolina

**Jami Fullerton**  
Oklahoma State University

**Steven Hall**  
University of Illinois at Urbana Champaign

**Scott Hamula**  
Ithaca College

**John H. Lindgren Jr.**  
University of Virginia

**Lynda Maddox**  
George Washington University

**Carolyn Mitchell**  
University of Texas at El Paso

**Deborah Morrison**  
University of Oregon

**John Murphy**  
University of Texas at Austin

**Sheryl Oliver**  
Howard University

**Greg Papst**  
University of San Francisco

**Kartik Pashupati**  
Southern Methodist University

**Douglas Quintal**  
Emerson College

**Barry Solomon**  
Florida State University

**Pat Spirou**  
Southern New Hampshire University

**Amy Struthers**  
University of Nebraska—Lincoln

**David Tarpenning**  
University of Oklahoma

**Robin Thornhill**  
Howard University

**Debbie Treise**  
University of Florida

**Kristy Tucciarone**  
University of Missouri—St. Louis

**Jorge Villegas**  
University of Florida

**Michael Welgold**  
University of Florida

**Angela Widgeon**  
Liberty University

**Roy Winegar**  
Grand Valley State University

**Ken Yednock**  
Penn State University



“The most unique thing about the program are the recruitment opportunities you get. I became a seasoned networker and interviewee from the numerous [Most Promising] Career Fairs, seminars and events. To participants, congrats! Now that you’ve earned the title, use the week or few days you have to get face time with recruiters and other industry professionals. Being there already gives you a leg up on the other competition, so use it to your advantage.”

— **Kat Saoyen**

Art director  
McCann Erickson

Most Promising class of 2006



the program.”

— **Prince Mhoon**

Advertising specialist/program manager  
U.S. Postal Service

Most Promising class of 2000



“The chance to travel to New York City to meet some of the best and brightest in the industry and meeting peers from all over the nation helped expand my knowledge and experience, and gave me the confidence to succeed.”

— **Tara Tongco Rojas**

Communications specialist-philanthropy  
CoBiz Financial

Most Promising class of 2000



“The Most Promising Minority Student program is an amazing program that provides a kick-start to a career in advertising. It’s a great opportunity to recognize not only great young talent but also to promote and foster diversity in the industry. The AAF continues to do a fantastic job in realizing the potential of advertising’s future executives while at the same time ensuring that the advertising industry strives to be inclusive.”

— **Shane Santiago**

President-CEO  
SBS Studios

Most Promising class of 1999

Every Day Matters®  
**JCPenney**

JCPenney® is proud to be a corporate member of the American Advertising Federation and principal sponsor of the 2010 Most Promising Minority Students program.

## VIEWPOINT

Edited by  
**Ken Wheaton,**  
kwheaton@adage.com



Do you have something to say? Send letters and corrections to [viewpoint@adage.com](mailto:viewpoint@adage.com) or to Advertising Age, Viewpoint, 711 Third Ave., New York, NY 10017. Please limit letters to 250 words.

## EDITORIAL

# TOYOTA'S PROBLEM MORE THAN JUST STUCK ACCELERATORS

The massive recalls announced by Toyota Motor Corp. have created a crisis for the automaker. But this isn't simply a matter of the company talking itself out of a jam caused by faulty accelerators. Rather, it's a matter of a brand losing its way.

To be sure, there will be thousands of words spilled about crisis communications. (Every such article or opinion piece will mention Johnson & Johnson's Tylenol, as if fear of certain death by poisoning is the exact same thing as fear of possible death due to a sticking accelerator.) While Toyota, agency Saatchi & Saatchi and PR firm Robinson Lerer & Montgomery do need to figure out a solid game plan to get out of this, the underlying issue that led to this moment must be addressed.

The automaker has been grappling with quality glitches in recent years that many believe arose because Toyota was so focused on displacing GM as No. 1.

And that issue is the sacrifice of Toyota's key attribute—quality—as the company became fixated on growth.

This is not the first slip-up by Toyota. The automaker has been grappling with quality glitches in recent years that many believe arose because Toyota was so focused on displacing General Motors as the world's largest automaker that it lost the "Toyota way." Indeed, Consumer Reports, which once automatically gave redesigned Toyota models a "recommend" designation, quit doing so in 2007 after it had begun to notice quality lapses. In that

light, the recent crisis seems like an inevitable conclusion.

The former poster child for growth, GM, is offering incentives in the wake of Toyota's missteps, saying its dealers are fielding demands from unhappy Toyota customers. Ford, too, has rolled out a \$1,000 incentive to those looking to trade in Toyotas and other imports. But the decision was motivated in part by Toyota's woes.

Ford in this case finds itself in a great position, as its name has become more and more associated with quality in recent years.

And that's what Toyota has to get back to doing. Toyota's new CEO, Akio Toyoda—grandson of the company's founder—has made it a priority to rebuild Toyota's quality image. The only way to rebuild the image is to make sure the cars live up to that image. One other idea: Follow the Hyundai and Kia playbook and offer a 10-year warranty on new cars.

Toyota has one thing going for it—customer loyalty built up over the years. But loyalty will only get a company so far, especially if lives are at stake. Toyota will need astute crisis communications and a lot of luck to get out of this specific mess. And if it's lucky enough to do so, it's going to have to get back to that Toyota way.

## READER RESPONSE



JOHN KORDUNER

## DEBATE RAGES OVER TEBOW'S DECISION TO DO ANTI-ABORTION AD

RE: "Will Tim Tebow's Pro-Life Bowl Ad Kill His Potential as an Endorser?" (AdAge.com, Jan. 26)

➔ **JULIE LECHLEITER**, MIAMISBURG, OHIO

According to John Rowady, Tim Tebow's "promotion of his 'belief system' has built a perception throughout the league that he has a long way to mature from a business perspective, especially in the fast lane of the NFL."

Whether your beliefs align with Tebow's or not, I would hope we can all agree that being strong enough to stand up for your convictions is maturity. Professional athletes are role models in this country, for better or worse. Tim should be more respected than ever before for taking a stance and standing his ground.

This entire "controversy" lends itself to the idea that sports players should just be physically talented figures who push products, without any opinions of their own.

If you're famous or well-known, you should try to find a way to use that for a good cause, not just sell Gatorade.

➔ **AMANDA NETTBOY**, NEW YORK

The groups opposed to this ad are not encouraging women to get abortions, they simply want women to be able to make that choice for themselves.

I am a Gator and a huge Tebow fan as well as an advertising professional. I respect Tim's right to stand up for what he believes in, and I understand that groups have a right to pay for the media to publicly express views that are at odds with my own. However, I do not think the Super Bowl is the right time or venue for this message.

➔ **TIMOTHY KELLEY**, BARRINGTON, ILL.

We need to remember that leaders stand for their beliefs whether segments of the masses agree or not. Tebow has been a leader his whole life, and no matter what my beliefs are, I can respect him for standing up for his. We need role models to show what a leader is, and he shows it on and off the field.

➔ **MIKE COBLE**, NEW YORK

It appears that the majority of people here think that Tim Tebow is a man of integrity for making this ad. That may be; I don't know him personally and don't have enough information. As far as I know, he might be a brilliant and calculated man, but I imagine that he could just as easily be a dumb young jock surrounded by doting fans.

But let's try and put some perspective on this. Say you are a huge sports star from California where a family member is undergoing chemotherapy for cancer treatment. The family member gets great comfort from medical marijuana. Do you create a Super Bowl ad in favor of legalizing it in all states? I think the point of the article is that the topic is divisive, and some mass-consumer-products companies may opt to look toward figures that are not as controversial. The irony is that a major sports figure would probably get more traction by avoiding controversy during his professional career, and by putting aside money from hawking soda and sneakers, could create an extremely well-funded foundation to advance the cause after the stadium lights dim.

➔ **JULIA SHEA**, BIRMINGHAM, MICH.

I praise Tim Tebow for standing up for his beliefs and the pro-life cause. He is a man of character demonstrating that he lives his life with his Christian morals and priorities coming first. Potential greater income from other endorsements does not sway him, as he knows where peace and fulfillment in life come from. We so need other role models like this man in the fight for the unborn—and for our children to look up to.

## IPAD: A REVOLUTIONARY DEVICE OR A SQUANDERED OPPORTUNITY?

RE: "Apple iPad Charges at Kindles and Netbooks" (AdAge.com, Jan. 27)

➔ **MIKE McDONALD**, ATLANTA

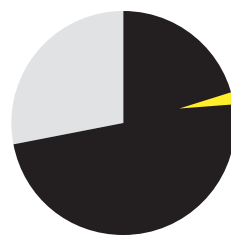
This is an Apple-centric product rather than a consumer-centric one. It is the proverbial razor that requires extremely expensive blades and residuals, to boot. Jobs has over-reached, basing his insatiable appetite on the 99¢ iPod model.

In this and future economies, the consumer will not buy the expensive eBooks or pay for expensive newspaper and magazine subscriptions, plus several hundred dollars a year to the likes of AT&T.

## WHAT YOU SAY

## WAS THE COURT'S DECISION TO ALLOW CORPORATIONS TO DO POLITICAL-CAMPAIGN ADVERTISING A GOOD ONE?

In a close 5-4 decision, the Supreme Court overruled campaign-finance laws that barred corporate spending on political ads, saying such laws violated the First Amendment. A solid majority—72%—of those responding to our poll sided with President Barack Obama in saying the decision was bad for democracy.



**72%** thought the Supreme Court made the wrong call.

### NEXT WEEK'S QUESTION:

CAN APPLE'S IPAD DO FOR PUBLISHERS WHAT THE IPOD AND ITUNES HAS DONE FOR THE MUSIC INDUSTRY?

"We can edit our heritage to say 'Government of the corporation, by the corporation and for the corporation.' The extent that lobbyists already exert influence on legislators to sway decision-making is ludicrous."

JOHN GILBERT

"It's a bad decision for what little remains of civility in politics. We shall be flooded with attack ads. But those of us whose careers have taken a hit from the collapse of the spot-TV market in the past three years really need the money."

TED FARAONE

"This country was founded on the principle of by the people and for the people. Sadly, it's becoming governed by the corporations and for the corporations."

THOMAS PASTORE

"Did the original guys really mean that anonymous corporate entities, that did not even exist at the time, get the same share of voice as a single citizen?"

DON BROWN

"Free speech in the First Amendment was specifically meant to be political speech. And all groups, from individuals to labor unions to corporations, deserve this right."

JOE WEINLICK

"So, it is better that corporations donate huge sums of money to PACs? That's a good idea. That way, no one has to know who funded them! ... Don't forget, corporations are just people organized for a purpose of doing business."

JUSTIN MICHAEL



MOST READ  
STORIES ON  
ADAGE.COM



1. APPLE IPAD CHARGES AT KINDLE AND NETBOOKS

➔ Read it at [Adage.com/mediaworks](http://Adage.com/mediaworks)

2. Does Apple's iPad Take a Bite Out of Web Advertising?

3. Three Hard Questions for Print Publishers Drooling Over the Apple Tablet

4. Why Most Digital Ads Still Fail to Work

5. GM Takes Advantage of Toyota Recall With Incentive Program

➔ TYLER BENEDICT, GREENSBORO, N.C.

The media industry may be in for a major shakeup, but not the one I think many journalists were hoping for.

Where the iPad could have been truly revolutionary was as a media and journalism tool if only it had a built-in camera. If the iPod Nano can shoot video, how could Apple overlook the additional potential user base a simple camera would provide for the iPad?

Bloggers, writers and journalists (myself included) would have had an all-in-one tool for covering most events. I can imagine covering Interbike and shooting pictures and uploading stories directly from the show floor. This would have greatly reduced the post-editing time, made blogging and news coverage even more real-time, and provided more of a unique selling point for the iPad.

Why should Apple care? It makes its money on apps and music, right? It also makes money from AT&T every month when someone pays for data service on one of its machines, and journos that are in the field are going to need 3G.

As it stands, it's certainly a better user interface and experience than existing e-readers and netbooks. And there's no denying Apple's design aura. But the real "revolution" will be the move from paper to digital media facilitated more by the App/iBook stores than the iPad itself.

Excluding that, there's little there to keep the iPad from being trumped in functionality, and I doubt any major publisher is going to give Apple exclusive rights to its content. Evolutionary, not revolutionary.

## ROYAL CARIBBEAN CHARTS RIGHT COURSE AFTER HAITI EARTHQUAKE

RE: Royal Caribbean Blasted for Continuing Stops in Haiti (AdAge.com, Jan. 20)

➔ STEPHEN B. RICHER, GULFPORT, MISS.

The recent news about the appropriateness of Royal Caribbean International Cruise Lines bringing visitors back to Labadee Island in Haiti caught my attention.

As the former executive director of the Mississippi Gulf Coast Convention & Visitors Bureau, who served before, during, and after Hurricane Katrina, I say to Royal Caribbean, its President Adam Goldstein, and all its employees, thanks for bringing vital economic activity back to Haiti!

Royal Caribbean has been searching for some of its missing staff who had been home in Haiti when the earthquake hit. They brought needed medical supplies and financial support to Haiti. Now, they are bringing back tourism.

As hard as it might seem in the face of the loss of life and chaotic destruction in Port-au-Prince and its surroundings, economic activity is the biggest long-term lifeline for Haiti. When Hurricane Katrina struck the Mississippi Gulf Coast, the first sign that a real recovery was under way was the reopening of the Imperial Palace (now IP) Casino in Biloxi four months after the storm.

Royal Caribbean is bringing back business just days after the earthquake. Friends and citizens of Haiti should be celebrating this move.

Many travel-industry organizations are posting the names of organizations to which its members can send donations for Haitian relief, making the collective travel sector effort a key part of the world relief contributions.

I support Royal Caribbean for stepping up now to help and stand with them and any others who can bring jobs and income back to Haiti.

### OPINION

### RANCE CRAIN

### AD AGE

## U.S. appears hypocritical in demanding visa for reporter

In my last column, I wrote about Dubai's efforts to put the most-favorable spin on the emirate's growing financial difficulties, with one local newspaper banning words such as "bailout" to describe Dubai's \$10 billion loan from neighbor Abu Dhabi.

The English-language Gulf News instituted a "style guide" to protect it from "financially incorrect" terms such as "debt crisis" and instead urged use of phrases such as "financial consolidation" to describe economic conditions in Dubai.

The managing director of the company that runs Gulf News, among many other assets, is Obaid Humaid Al Tayer. In his role as president of the Dubai Chamber of Commerce, he delivered a rather stern lecture to delegates attending the International Advertising Association's conference in 2006. One of Mr. Al Tayer's topics was, ironically, press freedom. He said the U.S. has one of the "least free" media environments. "It's closed to others, but they keep lecturing about freedom of speech. It's a double standard."

I used that quote to show that Mr. Al Tayer was being hypocritical by criticizing our press standards while sugarcoating what was going on in his own country. But I think I may owe him an apology after hearing what happened to one of our own publications.

The editor of our German-language newspaper, AutomobilWoche, was denied entry into the U.S. to cover the North American International Auto Show in Detroit because he didn't have a visa.

Never mind that other European business visitors to the U.S. don't need visas. For instance, the advertising director from AutomobilWoche didn't have a visa and arrived in Detroit without incident.

Our editor, Guido Reinking, didn't have a visa because our U.S. consulate lost his application. He went a second time to give them his fingerprints and officials told him he'd get the visa soon. It came a week too late. "I always thought we Germans invented bureaucracy," Guido commented.

Ever since 2003, when INS became part of the Department of Homeland Security, foreign journalists have been required to obtain a special visa to enter the U.S. Other business visitors don't need such a visa if they

are from a country with a visa waiver program, and they are routinely given a 90-day pass to enter the U.S.

No wonder it's so difficult for immigration officials to connect the dots—they're too busy fingerprinting journalists. How can it happen that the Nigerian underpants bomber can obtain a visa and fly into Detroit when our editor is denied?

Peter Brown, publisher of Automotive News, contends that "independently of the bureaucratic catastrophe of Guido's experience, I think that a free country requiring visas from friendly European nations is preposterous. This is in no way a useful anti-terrorism initiative. It's just an anti-free flow of information initiative."

The result from a practical standpoint, Peter pointed out, is that our German publication had inferior coverage of the Detroit auto show, Detroit got less business from this biggest thing of the year (no hotel meals, etc., for Guido), "and America looks stupid and oppressive like China."

My brother Keith, editor in chief of Automotive News, is equally upset. In his Crain's Detroit Business column, Keith wrote, "It's ridiculous that a citizen of Germany, coming to Detroit as a journalist to write about our auto show, is required to apply for and receive a visa before he can come. If he is a tourist, then he doesn't need a visa.

"In a country that would allow a terrorist to fly into Detroit without baggage and with a bomb strapped to his body, the idea that we require a journalist to apply for a visa from a country that doesn't require anyone else to have a visa is silly," he said. "In a country that believes in free speech, this is a discrimination of the worst kind."

Is this what Mr. Al Tayer was getting at when he said back in 2006 that the U.S. is "closed to others" when it comes to freedom of speech?



### HOW TO CONTACT EDITORIAL

**RANCE CRAIN** *Editor in chief*  
**DAVID S. KLEIN** *Publishing/editorial director*  
**ALLISON P. ARDEN** *Vice president, publisher*

[rcrain@crain.com](mailto:rcrain@crain.com)  
[dklein@crain.com](mailto:dklein@crain.com)  
[arden@adage.com](mailto:arden@adage.com)

#### EDITORIAL (NEW YORK)

**Abbey Klaassen** *Executive editor*  
**Matt Kinsey** *Assistant to the editor*  
**Judann Pollack** *Managing editor*  
**Sheila Dougherty** *Assistant managing editor*  
**Lisa Fain** *Assistant managing editor*  
**Aris Georgiadis** *Assistant managing editor*  
**Ken Wheaton** *Assistant managing editor*

[aklaassen@adage.com](mailto:aklaassen@adage.com) 212-210-0243  
[mkinsey@adage.com](mailto:mkinsey@adage.com) 212-210-0281  
[jpollack@adage.com](mailto:jpollack@adage.com) 212-210-0458  
[sdougherty@adage.com](mailto:sdougherty@adage.com) 212-210-0783  
[lfain@adage.com](mailto:lfain@adage.com) 212-210-0178  
[ageorgiadis@adage.com](mailto:ageorgiadis@adage.com) 212-210-0789  
[kwheaton@adage.com](mailto:kwheaton@adage.com) 212-210-0761

#### INTERNATIONAL

**Laurel Wentz** *Editor*  
**Normandy Madden** *Asia editor, Hong Kong*  
**Emma Hall** *Editor, London*

[lwentz@adage.com](mailto:lwentz@adage.com) 212-210-0175  
[nmadden@adage.com](mailto:nmadden@adage.com) 852-2982-1956  
[ehall@adage.com](mailto:ehall@adage.com) 44-794-123-7761

#### DATACENTER

**Bradley Johnson** *Dir. of data analytics, Los Angeles*  
**Kevin Brown** *Group data manager, Chicago*  
**Maureen Morrison** *Research editor, Chicago*

[bjohnson@adage.com](mailto:bjohnson@adage.com) 310-860-6420  
[kbrown@adage.com](mailto:kbrown@adage.com) 312-649-5272  
[mcmorrison@adage.com](mailto:mcmorrison@adage.com) 312-649-5348

#### CMO STRATEGY

**Jennifer Rooney** *Editor*

[jrooney@adage.com](mailto:jrooney@adage.com) 212-210-0797

#### EDITORS AT LARGE

**Bob Garfield** *Ad Review*  
**Jack Neff** *Batavia, OH (personal products, research)*

[bgarfield@adage.com](mailto:bgarfield@adage.com) 301-340-2804  
[jneff@adage.com](mailto:jneff@adage.com) 513-732-9001

#### AD AGE INSIGHTS

**Ann Marie Kerwin** *Editor*

[akerwin@adage.com](mailto:akerwin@adage.com) 212-210-0183

#### REPORTERS

**Beth Snyder Bulik** *York, PA (consumer electronics, tech)*  
**Michael Bush** *(Agencies)*  
**Simon Dumenco** *Media guy*  
**Andrew Hampp** *Los Angeles (cable TV, outdoor, radio)*  
**Nat Ives** *(Newspapers and magazines lead)*  
**Michael Learmonth** *(Digital lead)*  
**Jeremy Mullman** *Chicago (beer/liquor, agencies)*  
**Rupal Parekh** *(Agencies lead)*  
**Kunur Patel** *(Agencies)*  
**Brian Steinberg** *TV editor*  
**Emily Bryson York** *Chicago (food)*  
**Natalie Zmuda** *(Retail, nonalcoholic beverages)*

[bbulik@adage.com](mailto:bbulik@adage.com) 717-848-6950  
[mbush@adage.com](mailto:mbush@adage.com) 212-850-7614  
[sdumenco@adage.com](mailto:sdumenco@adage.com)  
[ahampp@adage.com](mailto:ahampp@adage.com) 323-522-6256  
[nives@adage.com](mailto:nives@adage.com) 212-210-0146  
[mlearmonth@adage.com](mailto:mlearmonth@adage.com) 212-850-0283  
[jmullman@adage.com](mailto:jmullman@adage.com) 312-649-5455  
[rparekh@adage.com](mailto:rparekh@adage.com) 212-210-0770  
[kpatel@adage.com](mailto:kpatel@adage.com) 212-210-0204  
[bsteinberg@adage.com](mailto:bsteinberg@adage.com) 212-210-0169  
[eyork@adage.com](mailto:eyork@adage.com) 312-397-7582  
[nzmuda@adage.com](mailto:nzmuda@adage.com) 212-210-0419

#### VIDEO

**Paris Bogdanos** *Coordinator*

[pbogdanos@adage.com](mailto:pbogdanos@adage.com) 212-210-0401

#### ART

**Jesper Goransson** *Art director*  
**Jennifer Chiu** *Deputy art director*

[jgoransson@adage.com](mailto:jgoransson@adage.com) 212-210-0474  
[jchiu@adage.com](mailto:jchiu@adage.com) 212-210-0795

#### GRAPHICS

**Greg Palmer** *Editor*  
**Charlie Moran Jr.** *web producer/editor*

[gpalmer@adage.com](mailto:gpalmer@adage.com) 617-714-3745  
[cmoran@adage.com](mailto:cmoran@adage.com) 212-210-0753

#### COPY

**Anna Baskin** *Copy/people & players editor*

[abaskin@adage.com](mailto:abaskin@adage.com) 212-850-7613

#### WEB

**Rahmin Pavlovic** *Web products manager*  
**Tim Dalbey** *Web developer*

[rpavlovic@adage.com](mailto:rpavlovic@adage.com) 212-210-0166  
[tdalbey@adage.com](mailto:tdalbey@adage.com) 212-210-0708

#### EVENTS

**Nick Parish** *Event content manager*

[nparish@adage.com](mailto:nparish@adage.com) 212-210-0135

### ADVERTISING & SPONSORSHIP SALES

**Jackie Ghedine** *Managing director, sales*

[jghedine@adage.com](mailto:jghedine@adage.com) 212-210-0725

#### MEDIA

**Rob Eisenhardt** *Sr. director, media*  
**David Boniface** *New York sales manager*  
**Caren Gibbens** *Sr. account manager, West Coast*  
**Kate Roomet** *Account manager*  
**Emily Chiang** *Sales assistant*  
**Candace Hanson** *Sales assistant*

[reisenhardt@adage.com](mailto:reisenhardt@adage.com) 212-210-0139  
[dboniface@adage.com](mailto:dboniface@adage.com) 212-210-0164  
[cqibbens@adage.com](mailto:cqibbens@adage.com) 323-370-2440  
[kroomet@adage.com](mailto:kroomet@adage.com) 212-210-0475  
[echiang@adage.com](mailto:echiang@adage.com) 212-210-0246  
[chanson@adage.com](mailto:chanson@adage.com) 212-210-0159

#### DIGITAL

**Pete Roper** *Sr. director, digital*  
**Brittany Paris** *Account manager*

[proper@adage.com](mailto:proper@adage.com) 212-210-0280  
[bparis@adage.com](mailto:bparis@adage.com) 212-210-0173

#### AGENCY, CREATIVITY & TECHNOLOGY

**Jim Whelan** *Director, agency relations*  
**Roberto Guerra** *Sr. account manager, production*

[jwhelan@adage.com](mailto:jwhelan@adage.com) 212-210-0158  
[rguerra@adage.com](mailto:rguerra@adage.com) 212-210-0424

#### CUSTOM

**Karen Egolf** *Editorial director, custom programs*  
**Richard K. Skews** *Associate editor, custom programs*

[kegolf@adage.com](mailto:kegolf@adage.com) 847-577-9032  
[rskews@adage.com](mailto:rskews@adage.com) 312-280-3136

#### MARKETING & EVENTS

**Angela Carola** *Director*  
**Lauren Minardo** *Conference director*  
**Gabrien Symons** *Interactive designer*

[acarola@adage.com](mailto:acarola@adage.com) 212-210-0407  
[lminardo@adage.com](mailto:lminardo@adage.com) 212-210-0738  
[gsymons@adage.com](mailto:gsymons@adage.com) 212-210-0191

#### ADVERTISING PRODUCTION

**Michael Corsi** *Pre-press/production director*  
**Kate Costanzo** *Production manager*

[mcorsi@adage.com](mailto:mcorsi@adage.com) 212-210-0214  
[kcostanzo@adage.com](mailto:kcostanzo@adage.com) 212-210-0230

**Meilyn A. Castillo** *Assistant to publisher*

[mcastillo@adage.com](mailto:mcastillo@adage.com) 212-210-0248

### AUDIENCE DEVELOPMENT

**John LaMarca** *Circulation director*  
Subscriber services: 1 (888) 288-5900, fax (212) 210-0465, outside U.S.: 1-313-446-1665,  
e-mail: [customerservice@adage.com](mailto:customerservice@adage.com) PRINTED IN THE U.S.A.

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➔ You can reach Rance at [rcrain@crain.com](mailto:rcrain@crain.com)

## VIEWPOINT

Edited by  
**Ken Wheaton**,  
kwheaton@adage.com

Do you have something to say? Send letters and corrections to [viewpoint@adage.com](mailto:viewpoint@adage.com) or to Advertising Age, Viewpoint, 711 Third Ave., New York, NY 10017. Please limit letters to 250 words.

## OPINION

DARRYL OHRT

PLAID

## Beer and barbecue: a few tips for newbies attending SXSW

A friend just reminded me that SXSW is only weeks away. The interactive portion of this conference has become the global mega meet-up for anyone in the digital creative business, and for the third year, our agency will be attending. SXSW

veterans might say this gets us just beyond the “newb” status.

In the past, we’ve made the trip to Austin with the goal of learning, meeting colleagues and eating barbecue. More and more, I’m hearing about agencies who are approaching the conference with aggressive business-development goals. And each year, there’s a growing army of marketing folk in attendance, so there’s likely a Texas-size gaggle of potential clients to share barbecue with.

At our agency, we’ve taken a business-development approach centered around attraction. We continuously strive to create and share tools, content and information that we believe is helpful, insightful or inspiring to clients. This, in turn, reminds clients we’re here when they’re ready. Our approach to SXSW is no different. Each year, we create a SXSW edition of our blog and share notes from panels, links to research and findings and pictures of the most delicious barbeque. We do our best to share our experience with the marketing people who can’t make the trek to Austin. This year, we’re adding a few surprises to the mix.

Ben Kunz, director of strategic planning for Mediassociates, also takes a casual approach: “I found the real value being new connections with a handful of people in which our conversations

started in Austin and blossomed outward over the following year. ... Our business-development approach is more partnership development—finding agencies or kindred spirits that could do joint business development in the future.”

Ian Schafer, founder and CEO of Deep Focus, suggests you put to work the tools and networks you already have in place before heading out to the conference: “We always make it a point to identify who is going to be down there. ... Leveraging our employees’ Twitter followers and Facebook friends [has] been a good source of identifying [who’ll be there]. Simply asking, ‘Who’s going to SXSW?’ will yield a good enough response to start scheduling meetings from—if you’ve got a big enough follower/friend base.”

Schafer is right. What works at many other industry conferences doesn’t always fly at SXSW. The culture, vibe and activities are more laid-back and casual. You’ll need to tailor your approach to be appropriate to the audience. (Yes, tailoring your message to your audience is even more important in Austin.)

“I’d recommend to anyone attending that they ditch business cards and instead try to pick up the Twitter handles of 20 or so people, of the 400 they meet, who really seem interested in you and your work,” suggests Kunz. “Those are the partners that will help you learn more in the coming year, and the connections they bring six months from now will lead you to new clients or new success.”

Ian Schafer agrees. “Don’t hard-sell. It’s the most casual conference around. Jeans and sneakers are the norm. Don’t ambush, don’t whip out your netbook. Engage in natural conversation.”

You can count on meeting our team in jeans, sneakers and barbecue-stained T-shirts. So what are your plans for Austin? Are you getting big in Texas with business, barbecue, beer or all of the above?

➔ Darryl Ohrt is a former punk rocker and the founder of creative agency Plaid, Danbury, Conn.



## OPINION

CHRISTINE HUANG AND OZIOMA EGWUONWU

GLOBALHUE

## Why culture will become crucial for success in 2010 and beyond

It’s 2010: a new year, and a new opportunity to consider how the massive cultural and technological shifts of today are reshaping the way we think about tomorrow. These evolutions are not only changing how we navigate our public and personal lives, but also the way we relate to businesses and brands. At this starting block of a decade, it is imperative that we consider these changes and their ramifications.

### 1. AMERICA RE-ENVISIONED

As this year’s Census will soon show, we are a country comprising increasingly diverse and expanding “nations within a nation.” By 2042, it is projected that non-Hispanic whites will no longer represent the dominant ethnic group in the U.S.—an evolution of our demographic makeup that will turn our soon-outdated dichotomy of minority/majority on its head. The 2010 Census will serve as a catalyst for the reimagining of our old conceptions of the American story and dream. Over the last decade, brands such as McDonald’s, Nike and Toyota have made bold attempts at targeting a growing non-“general” market, earning accolades and success for authentically connecting with a multidimensional U.S. audience. In 2010, we expect to see more brands rising to the challenge of understanding consumers that defy traditional segmentation.

### 2. CULTURE AS A SELLING POINT

As the composition of the country grows more complex, brands must also rely on their understanding of culture beyond ethnicity to stay relevant, and must invent strategic ways of harnessing it.

Anthropologist Grant McCracken sees culture as so integral to brands that it should have its own executive position (a Chief Culture Officer) in today’s

corporation: “Culture is an essential piece of the intelligence an organization needs in a turbulent world. ... The corporation cannot hire in [or farm out] its cultural intelligence any more than it can surrender financial decisions to a visiting bookkeeper.”

A deep connection to culture has always been a necessity for brands, but going forward, we will see it manifest in more lateral ways. One that we’ve seen building momentum is the mainstream adoption of niche-cultural branding: ingredients, foods and products with heritages rooted around the world (i.e. kombucha, acai, shea butter, matcha tea, Greek-style yogurt, bubble drinks) are gaining mainstream popularity, and global brands as backers. This embrace of the foreign points to a widening of our palates and growth of a cross-cultural consumer that sees “exotic” as refreshingly unique and bold rather than alien.

### 3. GAME ON

Gaming and gamers are more pervasive now than ever. The average adult plays games for 7.6 hours/week, and is followed by a generation of digital natives that grew up on PSPs, iPhones, and Farmville. But not only is gaming as leisure becoming more commonplace, many aspects of our day-to-day lives are starting to take the form of gameplay as well. Mobile apps such as Foursquare and the karma-building CauseWorld are adding a bit of friendly competition to nights out and visits to our favorite venues and stores, while the social sport of Twitter and Facebook continues growing more ubiquitous.

### 4. MICRO GOES MASS.

Amidst the devastation of the Haiti earthquake and the aftermath of the economic collapse, the optimism that



often accompanies the arrival of a new year is running thin in 2010. And yet, we’re coming together to offer hope in smaller pieces, in the form of simple micro-actions. One of the most catastrophic natural disasters in recent history has been met with more than \$22 million in \$5 and \$10 text-message donations, an unprecedented show of charitable giving made possible by the ease of small-scale mobile donations. And beyond these times of need, micro-support is gaining traction as a straightforward, accessible way for everyday people to support the causes they believe in, finance promising new businesses, and make their creative visions a reality in small, easy steps.

### 5. A HUMANIST REVIVAL

The first year of this brave new decade is the turning over of a new leaf, one we’re happy to see met with a defiant return of humanism.

By choice or circumstance, many of us (individuals as well as businesses) find ourselves with the task of starting over. This moment has proven fertile grounds for experimentation in finding joy and self-definition (see Living Oprah and The Happiness Project), thoughtful business innovation (see the new agency for “(human) brands,” Lovely Day), and a return to the simple pleasures of life (see Coca-Cola’s Expedition 206 and The Art of Eating In).

The victors in 2010 and beyond will be those who see in this challenging moment an opportunity to connect with the human spirit of reinvention, resilience and yes—hope.

➔ Christine Huang is head of cultural trends at GlobalHue, the U.S.’s leading multicultural marketing-communications agency. Ozioma Ekwuonwu is the VP, director-cultural strategy at GlobalHue.

## OPINION

PEPPER MILLER

HUNTER MILLER GROUP

## TNT makes small step, portrays black man as friend, not sidekick

TNT’s “Men of a Certain Age” provides its audiences with a dose of authenticity.

I might have skipped the show had it not been for one of my favorite actors, Andre Braugher, who plays Owen, one of three main characters. Owen and his college buddies, Joe and Terry, played by Ray Romano and Scott Bakula, respectively, are middle-aged and still trying to figure out the happiness equation. Owen is a bit out of shape and lives with his caring and realistic wife and their three small children. He also works as a salesman at an automobile dealership owned by his overbearing and

critical father.

As a consumer—not as a researcher—I, like many in the black community, am concerned about the portrayal of African-Americans in the media, and particularly how black men are portrayed. As reported in Target Market News, Essence Magazine’s October 2009 survey about black men in the Obama Era revealed that 88% believe black men have not been portrayed more fairly in the media since the presidential election.

Owen is no hero. But he’s no slouch, either. Importantly, the writers did not

portray him as the black friend, but a friend. It’s not only the great chemistry between the characters; Owen has full character development where we see his trials and victories as we do those of his buddies. And when they come together to “share,” Owen challenges them and often imparts his wisdom.

It’s nice to see the black man not portrayed as “the joke” or a stereotype, but an equal BFF.

➔ Pepper Miller is founder and president of Hunter Miller Group, Chicago.





## CMO STRATEGY

Edited by  
Jennifer Rooney,  
[jrooney@adage.com](mailto:jrooney@adage.com)



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## THE CMO INTERVIEW

LISA BAIRD

U.S. OLYMPIC COMMITTEE

STAYING IN THE GAME  
IN NON-OLYMPIC YEARS

USOC CMO Lisa Baird says it's all about timing and connecting with 'fangelists'



BY RICH THOMASELLI [rptsports@aol.com](mailto:rptsports@aol.com)

THE OLYMPICS TAKE center stage for just two weeks every two years, but for Lisa Baird, chief marketing officer for the United States Olympic Committee, it's a 24/7, 365-day-a-year job to make sure the U.S. teams are well-funded via sponsorships.

And as marketers have pared back advertising budgets, Ms. Baird's job has become tougher. Former Olympic advertising stalwarts like General Motors and Home Depot have left—although Procter & Gamble came in last year and signed a major deal with the USOC.

Ms. Baird, 48, has been with the USOC barely a year. In her 25-year career she has held senior marketing positions with organizations such as

**"We'll never be a 365-day-a-year property. But there are times when people feel patriotic, such as that Memorial Day to July 4 period, and that time period makes a lot of sense for us."**

IBM, General Motors, Procter & Gamble and, most recently, the National Football League, where she directed the league's consumer products, direct marketing, e-commerce, entertainment marketing and advertising programs. She oversaw a portfolio of more than 150 licensees that delivered \$3 billion in retail sales. Ms. Baird developed the league's first consumer-generated ads for the 2006 Super Bowl, launched the NFL's first youth and Hispanic websites and helped develop NFLShop.com into one of the premier e-commerce sites in sports. She also launched the first virtual sports world for kids, NFLRushZone.com.

She now directs the USOC's sales and marketing division and oversees the development of innovative corporate-sponsorship and licensing programs, reporting to interim CEO Scott Blackmun—just named last month after a series of shakeups at the top—and over-

seeing a sponsorship and marketing budget estimated at nearly \$40 million.

In less than a year, she has developed several initiatives as part of a strategy to help keep the Olympics top-of-mind, even in off years, including a partnership group within the sales and marketing department to help service existing sponsors and help them activate more in the U.S., and the creation of "America Supports Team USA," a PR and marketing platform to raise awareness of the Olympics between late May and early July—taking advantage of the uniquely American patriotic holidays of Memorial Day, Flag Day and Independence Day.

"We have a different type of fan than other sports properties," she said. "We call them fangelists. They're fans, but they're also evangelists for the Olympic movement. We

want to connect our consumers to the Olympic cause, and doing it outside of games years is a critical objective."

Now, with the Olympic Winter Games in

Vancouver days away, she shared with Ad Age her views on marketing the games in non-Olympic years, the loss of Chicago's 2016 bid to host the Summer Games, and Stephen Colbert.

**How do you keep the Olympics relevant when it happens for such a short period of time over a couple of years at a time?**

The Olympic movement is alive and well every day of the year. The brand attributes that we stand for, the ability to use sportsmanship as values, are true inside the game and out. We want to continue to build on that. When people use an athlete, when our sponsors want to create something about Team USA that stands for those brand value attributes, we're there every day. We'll never be a 365-day-a-year property. But there are times when people feel patriotic, such as that Memorial Day to July 4 period, and that time period makes a lot of sense for us.

**How are you going to replace GM and Home Depot as major sponsors, especially now that the USOC lost the bid to host the Summer 2016 Games on home turf in Chicago?**

The economy is the economy. We want to be sensitive to what's happening around us. The way I look at it is, we've had great relationships with both GM and Home Depot. What they did for us was tremendous. Some of my favorite programs and campaigns came from those two sponsors. But we're also excited when we have a new sponsor, such as P&G. With the breadth of their products, it's exciting to see new innovation. I don't sit there and say, "OK, Home Depot; I have to replace them in the same category." I look at the market and say, "Where does it make sense for the USOC to engage with a new partner?"

**There are a lot of deals cut now with individual U.S. teams and sponsors, and it seems as though everyone is doing their own thing. How are you going to keep all the teams on the same page and go at it as one in terms of marketing?**

The way I would love to see it is as a great complementary relationship there. The teams have a real focus. Day in and day out they are developing a pipeline for athletes. Over that, there are the Olympic marks. When we operate at our best, we are complementary to each other. We have properties, like the Olympic trials. We have the games, where that's the one point in time where all national governing bodies are on the same page. We try to use current Olympians and Olympic legends in our marketing. So there are a lot of ways in which we can all be complementary to each other.

**Has it been a problem, from a marketing standpoint, that the leadership at the top of the USOC has changed so often lately and there seems to be dysfunction within the group?**

I'm going to say no. I mean, Coca-Cola has been our partner since 1928. We have some of the best partners. We work day in and day out with them. In the end, it's all about Team USA.

## BAIRD'S TIPS

1. If you're not using an athlete in your marketing, connect your brand to the purpose of the Olympic and Paralympic movement and the support of America's athletes.
2. Even lesser-known Olympic and Paralympic athletes represent the persona of Olympic values.
3. Using athletes and brands to deliver negative advertising just won't work. Americans expect the best, most uplifting messages during games time.
4. The best Olympic programs are custom and personal to each brand.
5. While we are a nation of divided sports loyalties, there is one team that we all root for—Team USA.

**How do you approach the new USOC TV network? It's a good way to give visibility to your sponsors in between Olympic Games, but the USOC has angered both the International Olympic Committee and NBC by starting its own channel.**

I was excited about it when we launched it, and right now with the bigger picture with what's happening with Comcast and NBC, I know that could change things. But I still want to see it happen.

**Reports say NBC will lose \$200 million on the Winter Games. Are USOC sponsors having to make a choice between TV or sponsorship with the USOC due to the economy?**

Most of our partners and sponsors use it as one integrated campaign. That's how they go to market. It's clearly when we see our best results. We work quite closely with our partners, and that's the best way to get value out of your sponsorship. I don't believe it's a choice, nor would it be a good choice.

**Has Chicago's loss of the 2016 games, and the anti-American sentiment that went with that, had an impact on the USOC's ability to sell? The Summer Games are clearly the bigger draw, and now it looks like the U.S. won't be getting an Olympics on home soil for a decade.**

Of course we're disappointed that Chicago didn't get the games because it gives us a very different value proposition. I think that we're blessed with the global and domestic partners we have that see the value of Team USA. Am I disappointed? Absolutely. But we're here to support Team USA, and while a games on our home territory would have been exciting, our teams will compete hard in Vancouver, London (2012), Sochi (2014) and Rio (2016). We'll do what we can to raise the money. It certainly makes me become more creative.

**Two words: Stephen Colbert.**

What a great, great fortunate circumstance. Great, wonderful, and I'm so happy the "Colbert Nation" is the sponsor (of the speed-skating team). It's unusual, but I'm happy.

➔ Patricia Martin's thoughts on the Kellogg Marketing Conference. [AdAge.com/cmostrategy](http://AdAge.com/cmostrategy)



# PEOPLE & PLAYERS

Edited by  
**Anna Baskin**,  
abaskin@adage.com



Want to see your face here? When the party's over, send those snapshots to [peopleandplayers@adage.com](mailto:peopleandplayers@adage.com)



↑ **NEW YORK:** NYC & Co. honors "Project Runway" before its season premier with a temporary street naming and mayoral proclamation of "Project Runway Day." (From l.) **George Fertitta**, CEO, NYC & Co.; **Nina Garcia**, fashion director, Marie Claire and "Project Runway" judge; **Michael Kors**, designer and "Project Runway" judge; **Robert C. Lieber**, deputy mayor-economic development, New York; **Barbara Randall**, president Fashion Center BID; "Project Runway" mentor **Tim Gunn**; and **Andrea Wong**, CEO, Lifetime.



↑ **ORLANDO, FLA.:** Muscle Milk announces its augmented-reality campaign, "Genuine 33," from Pereira & O'Dell, which will make it appear as though Cleveland Cavaliers player **Shaquille O'Neal** is popping out of the product's bottle. (From l.) **Lauren Harwell**, associate creative director, Pereira & O'Dell; Mr. O'Neal; **Ryan Toland**, account director, Pereira & O'Dell; and **Analisa Payne**, art buyer, Pereira & O'Dell.



↑ **NEW YORK:** Entertainment Weekly kicks off Time Inc.'s first Live & Unfiltered event with **Penélope Cruz**. (From l.) **Jess Cagle**, managing editor, Entertainment Weekly; **Ann Moore**, chairman-CEO, Time Inc.; Ms. Cruz; and **Dave Karger**, senior writer, Entertainment Weekly.



↑ **NEW YORK:** Nickelodeon characters **Dora the Explorer** and **SpongeBob SquarePants** come out to announce Nickelodeon at Sea, a partnership between Nickelodeon and Norwegian Cruise Line. (From l.) **Maria Miller**, senior VP-marketing, Norwegian Cruise Line; **Kevin Sheehan**, CEO, Norwegian Cruise Line; **Howard Smith**, exec VP, Nickelodeon Recreation; and **Andy Stuart**, exec VP, Norwegian Cruise Line.



↑ **NEW YORK:** Ion Television celebrates its first original non-scripted series, "The Emeril Lagasse Show." (From l.) Celebrity chef **Emeril Lagasse**; **Charles Koppelman**, executive chairman, Martha Stewart Living Omnimedia; **Martha Stewart**, founder, Martha Stewart Living Omnimedia; and **Brandon Burgess**, chairman-CEO, Ion Media Networks.



↑ **NEW YORK:** Mun2 throws a launch party for "The Mun2 Look." (From l.) **Paula Garces**, co-creator, executive producer and host, "The Mun2 Look"; **Daniel Villaroel**, director-diversity marketing, Maybelline, New York; **Jacqueline Hernandez**, chief operating officer, Telemundo; and **Jorge Ramon**, celebrity stylist and co-host, "The Mun2 Look."



↑ **LOS ANGELES:** Starz holds a private screening event for its new series, "Spartacus: Blood and Sand." (From l.) Starz President-CEO **Chris Albrecht** and "Spartacus" executive producers **Sam Raimi**, **Rob Tapert** and **Joshua Donen**.



# TALENTWORKS

Edited by  
**Jennifer Rooney**,  
jrooney@adage.com



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## ON THE WEB

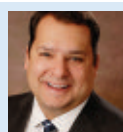
### WHAT'S GOING TO GET YOU HIRED IN 2010?

Recruiter and executive coach Stuart Parkin thinks he has the answer: emotional intelligence, passion, the ability to embrace change and a great personality, among other things. "Although we live in a fast-adapting business world and the agency business is likely to continue to face huge changes in 2010, there are certain core tenets of individual employability that remain," Mr. Parkin writes.

### HOW TO STAY MOTIVATED IN AN UNREWARDING JOB MARKET

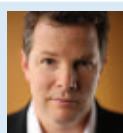
GenNext blogger Adrienne Waldo shares thoughts from her friends and tweeps, including ideas such as letting your co-workers motivate you, focusing on the big picture and looking back at the work you're most proud of. Her takeaway? Remember why you love what you do.

## PEOPLE ON THE MOVE



KUCHARZ

**Ezra Kucharz** has been named president-local digital media at CBS. Mr. Kucharz comes to CBS from FiLife.com, an IAC and Dow Jones personal-finance joint venture. For the past 14 months, Mr. Kucharz has served as president-general manager of the financial question-and-answer platform. From 2007-08, he was exec VP-North American online and global platforms at Oberon Media. Prior to that, he held a number of senior-level positions at NBC Universal, including chief operating officer for iVillage, VP-digital innovation and senior VP-digital media.



FREEMAN

**Matt Freeman** has been appointed CEO of Mediabrand Ventures. The former CEO of media start-up Betawave and of Omnicom's Tribal DDB Worldwide joins Mediabrand to scale the network's portfolio of digital and specialized businesses. Mr. Freeman will also collaborate with the flagship media management agencies of UM and Initiative to complement and strengthen their business offering.

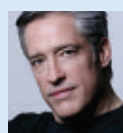


GRUSHOW

MediaLink has named **Sandy Grushow** its chief creative officer. Mr. Grushow, former chairman of Fox Television Entertainment Group, most recently launched digital-entertainment studio Filmaka. In his new role, he will spearhead content ideation and development of branded entertainment for MediaLink's clients and their agencies, including Microsoft, AT&T, Unilever, General Electric, MySpace and GlaxoSmithKline.



SRERE



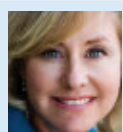
BELK

Strategic branding firm Siegel & Gale has promoted Chief Strategy Officer **David Srere** and Chief Creative Officer **Howard Belk** to co-chief executive officers. Messrs. Srere and Belk have served as co-presidents of Siegel+Gale since 2007. Together, they have worked to reopen Siegel & Gale London, launching offices in Dubai and Shanghai, build a presence in San Francisco, introduce new research products and establish a Dynamic Media practice. Mr. Belk joined Siegel & Gale in 2004 and Mr. Srere has been with the firm since 1998.



PAULSON

**Kurt Paulson** has joined CNNMoney as VP-western region. He comes to CNN from Google, where he most recently served as head of travel, advertising sales & operations, West. During his time at Google, Mr. Paulson and his team broke and grew accounts such as Expedia, Travelocity, Hilton Hotels, Disney Parks & Resorts, Choice Hotels and MGM. Prior to his six years at Google, he spent time at Looksmart.com and Nortel Networks selling across a variety of industries including travel, retail and technology.



MIDDLETON

Nick Beil, CEO of Performics, the search-marketing agency of VivaKi, announced that **Daina Middleton** will assume the role of president of Performics on April 1. At that time, Mr. Beil will devote his attention to leading operations for the VivaKi Nerve Center. The management change kicks off a new, strategic alignment between Performics and Zenith. Ms. Middleton is currently senior VP of Sunao, Moxie Interactive's intelligence division. Before that, she was global director-advertising and interactive marketing for Hewlett-Packard's Imaging and Printing Group.

Submit people moves to Anna Baskin at [abaskin@adage.com](mailto:abaskin@adage.com)

➔ For more executive moves go to [Adage.com/talentworks](http://Adage.com/talentworks)



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### Microsoft Health Solutions Group International Marketing Manager

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### Starbucks Coffee Company Director Strategy

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## CHRYSLER FROM P.2

Chrysler won't engage in "the cheap practices of volume acquisition."

But a little volume clearly is needed. Chrysler Group's U.S. sales fell 36% in 2009, compared with a drop of 21% for the industry.

Mr. Marchionne's reaction to the criticism of some of the early ads? He'd rather have bad publicity than no publicity at all. "I don't mind that people say 'I hate this piece'" or "'I don't like what I saw; I would have done it differently,'" he said at the Detroit show.

He said he wants to change the subject away from topics that have dominated the news, such as "rejected dealers and Chapter 11 and Sen. McCain saying Chrysler won't make it." So Chrysler's brands have been running a flurry of ads since December, "designed to be different from the rest" as the brands reconstitute their DNA, he said.

New Dodge Charger ads, created by Wieden & Kennedy, highlight the car's masculine virtues. One features the voice-over of actor Michael C. Hall, star of the series "Dexter," talking about the things the car isn't: "a man bag," "a yoga class."

Mr. Marchionne recalled watching some earlier Jeep commercials with brand CEO Michael Manley. They knew what they wanted to communicate, but the execution wasn't there, Mr. Marchionne said.

"We're bound to make mistakes. That's the good thing about this group — it goes back and retrenches and it keeps on moving. You'll see some more screw-ups, I guarantee you."

Bradford Wernle is a staff reporter for Automotive News.

**Chrysler's brands have been running a flurry of ads since December, "designed to be different from the rest" as the brands reconstitute their DNA, Mr. Marchionne said.**

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## NO WASTE FROM P.2

is the sustainability package that they bring to the table," he said.

William Chipps, senior editor of the IEG Sponsorship Report, said that the trend toward more-sustainable sponsorships has been gaining momentum in the last couple of years, though much of that has been "low-hanging fruit," including recycling and waste-management efforts. "Consumers are looking for these types of programs," he said. "It's getting to the point where they're expecting them."

It's not always easy to meet consumer expectations, however.

Coca-Cola dreamed big when it began planning its Vancouver sponsorship in 2006, Mr. Borra said, but some of the things that sounded good in theory proved difficult to execute. For example, all of the uniforms worn by Coca-Cola's Olympic Torch Relay staff and Olympic Games staff are made completely of recycled bottles. But, in Vancouver, average low temperatures in January and February hover at around 32 degrees, with anywhere from 5 to 6 inches of precipitation. Mr. Borra said it was challenging to find a supplier that had the technology to produce a jacket that could stand up to a Vancouver winter.

Similarly, the team made plans to deliver all beverages to the Olympic Games sites in hybrid heavy-duty vehicles. Those turned out to be hard to come by and had to be brought in specifically for the games. Coca-Cola also had to work with Vancouver city officials to develop a new waste stream for its compostable coffee cups and lids. "Some of it seemed easy on paper," Mr. Borra said. "But we have to work with suppliers to

make sure there is the technology."

For its part, Mr. Borra said Coca-Cola has been sharing its plans with other top Olympic partners. He is also scheduled to speak at an upcoming SportAccord conference about Coca-Cola's sustainable sponsorship efforts.

In general, the Olympics have been at the forefront of the environmental movement, said Benjamin Seeley, head of marketing communications for the International Olympic Committee. The Vancouver Organizing Committee was the first to incorporate sustainability into its mission statement and fully embed sustainability into its operations, he added. VANOC also created an award, the "Sustainability Star" to recognize partners for their efforts. Coca-Cola was one of the first corporate sponsors to receive the award.

### SUSTAINABILITY CHOPS

Of course, its program isn't without risk. Taking such a major step could open Coca-Cola up to increased scrutiny and criticism if it doesn't reach its goals and, like any company that greenwashes, Coca-Cola could be skewered if it doesn't deliver. But that seems unlikely, according to Ryan Schuchard, manager-research and innovation at Business for Social Responsibility, a global business network and consultancy focused on sustainability. He said sustainability is an area where Coca-Cola has the chops, both with its messaging and public policy positions.

"Coca-Cola has definitely said some of the most progressive things about policy, and they've been creative with messaging," he said. "Global companies, on sustainability issues, are going to attract a



**GREEN SCENE:** At the Olympics, Coke's café furniture is made from pine-beetle-salvaged wood, and beverages will be delivered via hybrid vehicles and electric cart.

lot of interest and criticism. There's a small risk but a bigger opportunity comes with that. And Coke does have some credibility on these issues."

Coke's Mr. Borra said the company is confident it can reach its goals, but if it doesn't, it will try to understand why and improve. Hence the outside auditor to monitor its efforts in Vancouver: "We believe that all of our stakeholders, including consumers and NGO partners, will understand that progress on this front will not always be a straight-line improvement, especially given that often we are pioneering new process or technologies," he said.

Coca-Cola started laying out its plans for the sponsorship in October 2006. The final plan was created in consultation with the World Wildlife Fund-Canada and the David Suzuki Foundation, a Canadian environmental organization. An outside agency was also brought in to determine the company's carbon footprint, so that carbon offsets could be purchased. And an outside auditor will evaluate the sponsorship following the games.

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**YOUTUBE** FROM P. 1

tisers, and inventory was sold out in the fourth quarter. Additionally, YouTube has also tried—with limited success—to ink deals with the studios for premium TV and movies, and it forged a deal with Universal Music Group and Sony Music Entertainment to power Vevo, which theoretically will bring in more brand ad dollars attached to music videos.

But while brand advertising attached to premium content can be a fine business, it isn't very Google-y, which built its fortune—and enviable margins—on the long tail of advertisers using Google's self-serve tools to buy search ads. Indeed, the vast majority of Google's \$23.6 billion in

2008 revenue came from search advertising. Meanwhile Barclay's analyst Douglas Anmuth estimated YouTube would turn profitable in 2010 on \$700 million revenue.

Promoted videos, the equivalent of a search ad on YouTube, were launched in 2008 and integrated into AdWords in October, meaning search advertisers could easily move campaigns to YouTube. In December, YouTube launched a tool allowing advertisers to target specific content, viewer age or gender or categories like politics or fashion.

While on Google, the purpose of a search ad is to get a click-through or a conversion to a particular site; on YouTube, it is to generate a video view, which can also lead to a click

through to a site but it may not. YouTube said "hundreds of millions" of searches are conducted each day on the site.

"Obviously, we think Promoted Videos is a great way for small businesses to tell their stories and reach customers with video in a scaleable way," said YouTube monetization chief Shishir Mehotra.

YouTube has been working hard to put those tools into place and early signs are it is getting some search advertisers to buy campaigns on the video site. The site keeps a tight lid on revenue, but told Ad Age that "thousands" of advertisers are using self-service tools to advertise on YouTube each day. In the fourth quarter, paid clicks on promoted videos doubled

from the prior three months.

"You have to look at this beyond simply driving direct sales; it's more of a branding campaign," said Steve Groenier, VP-marketing for art-supply direct marketer ArtBeads.com. Mr. Groenier started buying terms such as "how to make jewelry," making sure his company's how-to videos turned up in search results. Because ArtBeads.com is spending on YouTube, they get to add overlay ads to their videos that click through to their site.

But while Google and YouTube must court P&G and its ilk to sell brand advertising, making YouTube a search business means going after a different type of mar-

keter—one like tiny Utah startup Orabrush, which makes a patented tongue scraper, a so-called miracle cure for bad breath.

Orabrush started out with a \$100,000 infomercial that bombed on TV, but then fresh-out-of-business school CEO Jeffrey Harmon decided to start running cheeky, webby infomercials on YouTube against terms such as "bad breath." Of the 7.8 million views on YouTube, 6 million came from paid conversions since it started placing ads in August. As of this writing, Orabrush was the No. 1 result in paid results and No. 2 in natural search to a Howcast video with "Bad Breath Test: How to tell if your breath stinks."

**TELENOVELA** FROM P. 3

instance, and in the webisode viewers can click on the bag and see what's in it—as well as the size of the Ford's trunk.

"It's dual screen in-programming placement," said Jacqueline Hernandez, chief operating officer of NBC Universal-owned Telemundo. "You see the content, but you also feel the features as though you're in the car."

The narrative arc of "Perro Amor" involves lots of driving. When playboy Antonio callously seduced the virginal heroine Sofia last week, he drove her all the way from Miami to a romantic setting in Key West in his Ford Mustang. But the Ford product integrations won't begin until Feb. 1, three weeks after the novela debuted, the idea being the program needs time to grab the audience before the overt product integrations begin.

"You let the storyline catch on and build the characters' story," said David Rodriguez, Ford's multicultural marketing manager.

The product integrations will debut as Camila, a vain but entertaining troublemaker, plots the downfall of her rival, Sofia. Her adoring husband Gonzalo, meanwhile, plays with her red Ford Fusion SEL's ambient lighting to bathe her in seven different colors in search of the most flattering hue. Andres Ordonez, VP-creative director at Ford's Hispanic agency Zubi Advertising, came up with that idea, which fits both characters' personalities.

Zubi is working closely with Telemundo on the novela, which will include 12 active integrations tied to specific vehicle features in which Zubi is involved with the script, as well as 20 passive integrations—such as a parked car—and a number of organic integrations that are up to Telemundo. Most scenes are shot a week before the novela airs, and Zubi gets scripts about a week before that.

Ford is also guaranteed 90 SMS alerts, to help drive viewers to watch episodes with active integrations.

"Perro Amor" will cost Ford about \$1 million, including the air-time during the six-month-long novela, TV spots and web and mobile components.

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## HELL FROM P.3

being taken seriously by PlayStation, which is readying its own big marketing push. But "Dante's" one apparent advantage is that it will be available on both PlayStation 3 and Microsoft Xbox 360. ("God of War" is exclusive to the PlayStation platform.) "'God of War' is a wonderful product," said Mr. Marineau. "We think there are a lot of people who will buy Dante and also get 'God of War.'"

"Is there room in the market for both? Absolutely," said NPD Group analyst David Riley. "Both of these titles are fine examples of just how far developers have come over the past several years."

Of the two, EA has the tougher marketing challenge of introducing

a brand-new property in a still-rebounding economy, while "God of War" fans are primed and waiting for the next edition. "It's always hard to launch a new IP. That is why the games industry is so heavily reliant upon sequels," said NPD analyst Anita Frazier in an e-mail interview.

So far, hell has proved tempting to gamers. EA said it's sold almost 100,000 games on pre-order, racked up 2.5 million demo downloads, and counts 5 million users of its Facebook game "Go to Hell."

The Super Bowl as a kickoff media venue also points out the importance of this title for EA, which is better known for its blockbuster sports franchises such as "Madden" football and simulation games such as "The Sims." "This is

definitely important to their portfolio. It could really help round it out," said Ted Pollak, senior gaming analyst at Jon Peddie Research.

EA is still waiting for final word from CBS, but it seems likely the game's "Go to Hell" tagline used in print and on cable TV won't be approved by the network. If not, it will be replaced by a "hell awaits" callout at the end of the spot, created by Blur Studio, Venice, Calif.

EA isn't fazed by the censor. But why buy into a media venue where you can't use your tagline? "It's less about the tagline and more about the setting," Mr. Marineau said. "There will still be a callout to hell. And it's an opportunity to hit the most mass audience possible with a game that's literally coming out two days later."

## LOCAL TV FROM P.3

Mind you, TV stations aren't going to vanish from the face of the earth in two years' time. They continue to function as the so-called last mile in delivering popular TV phenomena—everything from "American Idol" to the Super Bowl to the last season of ABC's "Lost"—to important geographical markets. And, as demonstrated by the recent brouhaha over NBC's decision to move Jay Leno to 10 p.m. five nights a week, they still have power.

Even so, TV stations will have to be content with a narrower stream of revenue from traditional sources. TV-station revenue is expected to decline 22.4% to \$15.6 billion for 2009, according to BIA/Kelsey, a media-research and consultancy firm. It's the first time since the mid-1990s that TV-station revenue has fallen to around the mid-\$10 billion level, the firm said (2008 revenue was \$20.1 billion), and BIA/Kelsey predicted revenue will only increase slightly each year through 2013.

And the political money everyone is clucking about may not flow as fast as some TV stations might like. Interpublic Group's Magna has

forecast a 15% increase in political spending on TV for 2010, but Brian Wieser, the firm's global director-forecasting, doesn't think the recent Supreme Court ruling "causes a material increase" in the amount of election money flowing into TV-station coffers. Only political races that will prove integral to Republicans gaining control of Congress will spur outside spending levels, he said.

To surf these roiling waters, some TV stations have put an equal amount of attention on developing ancillary "products"—stuff outside local news-and-affairs programming on their primary TV outlet.

At Hartford's WFSB, for example, executives established a presence at the city's recently opened Connecticut Science Center. In addition to doing local weather from the site, the Meredith Corp.-owned station lets visitors to the center do their own local forecasts and send them to friends electronically.

"We don't want to give away our product for free, but we do want to give our product and find a way to monetize it," said Mr. DePalma.

Others are using different methods to establish greater control over their destiny. At Liberman

Broadcasting, a privately held Spanish-language broadcaster that owns seven stations and has affiliate agreements with others owned by Belo, Hearst Television, Tribune and others, executives create and broadcast their own programming. This way, the company can amass a library of past shows and have more say over the integration of advertising into different pieces of content.

Other stations have tried to create mobile applications; soak up new categories of ad revenue, including obituaries; and pursue new forms of product placement previously believed to be forbidden, such as allowing coffee cups with sponsors' logos to appear on anchor desks during newscasts.

"The underlying trend is that the whole video market is on the brink—two years away from some major changes," said Forrester's Mr. Cooperstein. A host of new media outlets will look to siphon off national and local dollars that currently go to traditional players. TV stations should try and do anything possible to steel them for the days ahead, he said. "Every incremental dollar that goes somewhere else is going to impact the TV business."

## FAN FACTS FROM P.4

Colts fans are slightly more likely to have a post-high-school education than Saints fans, but they're also less likely to have advanced degrees. Saints fans are more ethnically diverse and slightly older than Colts fans, who are also more likely to be retired or homemakers.

While Colts fans overindex both for ownership of iPhones and BlackBerrys, Saints fans overindex for Droids.

Colts fans prefer Ford, Dodge and Honda, while Saints fans prefer Volkswagen, Chevy and Chrysler.

Colts fans prefer Axe. Saints fans prefer Old Spice and both over-index for Unilever's Degree.

Colts fans overindex for Doritos, Cheetos and Coke, while New Orleans fans overindex for Gardetto snacks and Dr Pepper.

And while Colts fans prefer Pizza Hut and Dairy Queen, Saints fans are more likely than average to go for Wendy's.

For beer, the Colts fan is a Bud man, or almost as likely a Bud woman. The Saints fan is more likely to prefer Heineken.

None of this, of course, answers that age-old question of whether a Super Bowl ad, priced at \$3 million per 30 seconds, can really pay out in increased sales. But ARS hopes to come to some conclusions by looking at pre- and post-game brand-preference scores for advertisers, Mr. Grace said. Generally, ARS has found that a 4% point shift in brand preference from an ad translates into a half point of share gain.

ARS predicts 148 million people will watch the game in the U.S. on Sunday, 60 million of them women.

That anticipated audience may be big, but it's still not even half the country. So who are all those hold-outs? According to ARS they over-index both as white and African-American. They're less likely to have children. Some 67% are female, and they tend to dislike

advertising more than average. People in the West are also more likely not to watch, which isn't surprising given that the NFL abandoned Los Angeles years ago.

Likely watchers are also predominantly iPhone users and over-index for Budweiser, which is a good thing given it's the game's biggest advertiser. Non-watchers prefer Sam Adams and Coors and the Droid.

Watchers like Ford and GMC. Non-watchers like Honda, Nissan and Toyota. In general, Super Bowl watchers tend to overindex as loyalists of American car brands, while non-watchers overindex for foreign makes.

"This probably creates a good opportunity for Honda or Nissan to buy counter-programming," said Wendy Preiser, chief marketing officer of ARS. Of course, Toyota may not want to be advertising anywhere right now, but if it's looking for a place to apologize to loyalists on Sunday, counter-programming would be it.



## TOYOTA FROM P.1

going to fall on their faces and go out of business, but their image has been permanently tarnished."

"They are seriously damaged," said Mark Hass, CEO and partner of MH Group Communications and the recently named president of Edelman China, who has a long history in automotive PR. "What's made them a great car company is that their brand was all about consistency. Consumers always knew what they were getting with Toyota, and this has to give people serious doubts about what they are getting. This blows up that idea of consistency that has surrounded them for so long."

Toyota will lose an estimated \$400 million a week for as long as it suspends sales and production, according to IHS Global Insight, Lexington, Mass., and TrueCar, Santa Monica, Calif., a pair of industry research firms. Toyota averages about 20,000 sales of new cars a week at an average price tag of \$20,000.

The affected vehicles make up 57% of the car maker's U.S. sales. Avis, Enterprise and Hertz all said they were pulling thousands of Toyotas from their respective rental fleets, while Enterprise—which also owns Alamo Rent-A-Car and National Car Rental—said it was pulling the Pontiac Vibe, jointly made by GM and Toyota.

Asked if she felt the brand was damaged, Celeste Migliore, national manager for business and field communications at Toyota Motor Sales USA, said she didn't want to comment on that specifically. "We are in the initial phases of this," Ms. Migliore said. "We have experienced a strong consumer loyalty and trust for a long time so it remains to be seen what the impact of this will be, and we will certainly be measuring it. But we don't have a comment on it at this time because we are still assessing the depth and breadth of the event itself."

It seems inevitable that to regain its footing, Toyota will have to spend heavily on advertising. The company has cut its media spending almost 20% in the last

year according to Kantar Media, a product of a weak economy but also a consequence of the lofty reputation Toyota has enjoyed. Last year, it was again the No. 1 car company in customer loyalty according to automotive information firm R. L. Polk & Co., a position that allows Toyota to spend less on advertising and promotion while taking advantage of free media such as the Polk survey and positive word-of-mouth.

Suzu Sammons, who worked on the Toyota account while at Saatchi & Saatchi from 1989-97, and who also worked on the Nissan-Infiniti account at TBWA Chiat/Day from 1997-2009, said Toyota needs to get out a message. The problem, she said, is that the marketer is hamstrung while awaiting government approval on the faulty-pedal fix, and by its own culture.

"The next voice that they bring to the market place is the most critical decision they will ever make," said Ms. Sammons, now the director of account services at Grand Rapids, Mich.-based Hanon-McKendry. "Domino's Pizza just did it by putting their CEO in front of the camera and saying 'Boy, we stink, and we're going to try this again.' That idea goes back to (former Chrysler chairman) Lee Iacocca, but the Japanese family culture of Toyota won't allow that."

Mr. DeLorenzo estimated that Toyota would have to spend up to 50% of its advertising budget—or almost a half-billion dollars—"just to move the needle back in the right direction. It's going to be costly."

But John Wolkonowicz, an analyst at IHS Global Insight, said it depends on how that money is allocated. "In some cases, they don't have to spend a penny to make it right; in other cases, they won't even begin to have enough money to make it right," Mr. Wolkonowicz said. Baby boomers might not be as much of an issue, but "they need to get younger buyers into the fold. Their median age [of buyers] is going up slowly, and they're alarmed by it."

"Toyota owners' confidence is shak-

## TEXTBOOK CASES

The one thing missing in all the noise out there about Toyota is Toyota.

Johnson & Johnson wrote the textbook on crisis communications when seven people died in Chicago after several bottles of Tylenol were tampered with and laced with cyanide in 1982. J&J's prompt and proactive move to inform and reassure consumers with a national ad campaign remains the industry gold standard nearly 30 years after the event. Toyota's comparative lack of response almost seems a textbook example of what not to do.

As of press time last week, Toyota has been virtually silent (BusinessWeek reported Jan. 29 that the company plans to break its silence this week, possibly with an explanatory newspaper ad). But what Toyota's said as of this writing sounds like a mish-mash of

legalese.

"As we move forward, we will be in a better position to share the details of our customer communications, but at present time we don't want to comment on that other than to say our customers are of our utmost concern, and so is their safety," said Celeste Migliore, national manager for business and field communications at Toyota Motor Sales USA.

Crisis experts say Toyota should have been out there first, especially when it has more tools—the internet, social media, cable TV etc.—than J&J did in 1982.

The automaker is working with Golin Harris and crisis-management firm Robinson Lerer & Montgomery, though it said it did not hire the firm specifically for the recall. Executives at Robinson Lerer did not respond to repeated requests for information.

Other than Tylenol, experts cite as another stellar example Jacques Nasser, who, as Ford's CEO, went immediately before the media in May 2000 when it was discovered there was a high rate of Firestone tire blowouts causing rollover accidents in the Ford Explorer.

"We frequently recommend clients be the first to go to the media with bad news," said David Margulies, president of the Margulies Communications Group, Dallas. "In that scenario, they are able to explain the issue, and often the solution, in their own terms."

"There really isn't a face of Toyota in the U.S.," said Mark Hass, CEO and partner of MH Group Communications. "My guess is they won't be able to find someone to come out and talk about this; there needs to be a face here."

—MICHAEL BUSH AND RICH THOMASELLI

en," said Michelle Krebs, a senior analyst with Edmunds.com. "Most consumers choose the Toyota brand because of its reputation, but where does this prolonged and misunderstood problem leave the company's reputation? This situation opens the doors for competitors to steal away their customers."

And they were certainly quick to jump in. General Motors Corp. announced a day after the recall that it would offer incentives through the end of February to Toyota and Lexus owners, and a day after that, Ford Motor Co. offered \$1,000 trade-in assistance for Honda, Acura, Toyota, Lexus and Scion owners if they trade in their vehicles by March 1, as it tries to push the Fusion.

It's an ironic twist, of course. For the past several years, Detroit's domestic car-makers have taken a beating from

➔ For more information on Toyota's communications moves on its recall and competitors' responses, go to [AdAge.com](http://AdAge.com)

Toyota, which last year unseated General Motors Corp. as the world's largest automaker. Now it's Toyota's turn.

"About seven years ago, Toyota's upper management went on this quest to become the biggest global automaker to surpass GM. They were obsessed with eclipsing GM," Mr. DeLorenzo said. "In making that commitment, they added capacity [plants] at a dizzying rate. They added them quicker than they could keep up, and faster than they could instill the 'Toyota way' for quality. They took their eye off the ball. That's the real gist of this, and now the reality is that Ford, Hyundai and even GM are building some outstanding products. Toyota isn't the top dog anymore."

CONTRIBUTING: MICHAEL BUSH, ABBEY KLAASSEN

## JUICE FROM P.1

anecdotally goosed OJ sales and a recession that boosted private-label sales up and down the grocery aisle.

The net effect was Coca-Cola's brands cumulatively pulling ahead of PepsiCo brands by volume in the combined U.S. refrigerated-juice-and-juice-drink category based on brands tracked by Beverage Digest. According to its figures for the first 10 months of 2009, Coca-Cola's volume share increased 1.1 points to 23.3, while PepsiCo's share fell 2.7 points to 21.8. During the period, PepsiCo's Tropicana lost 2.3 volume share points, while Coca-Cola's Simply gained 1.6 points and Minute Maid lost half a point. According to Information Resources Inc., the overall refrigerated-orange-juice category saw unit sales rise 3%, while dollar sales dipped 4% to \$2.6 billion for the 52 weeks ending Dec. 27.

The good news: "The category overall is probably starting to recover," said Beverage Digest Editor John Sicher. "People now understand that a calorie is a calorie and that refrigerated juices are healthy beverages. ... I think, both in the U.S. and globally, the juice business has growth potential over the next several years."

The bad news: As things are looking up for the category, a smaller orange crop and the recent freezing temperatures in Florida could complicate matters. Ray Crockett, a spokesman for Coca-Cola's juice business, said Minute Maid and Simply expect to pass along a 6% to 9% price increase to retailers in April. Executives at Tropicana and Florida's Natural said it was too early to determine whether there would be price increases. Walt Lincer, VP-sales and marketing for Florida's Natural, did note that there could be a lowering of promotional offers to compensate for a decrease in juice availability.

Bill Pecoriello, CEO of Consumer Edge Research, said it's likely other brands will have to take price increases, though he noted that Tropicana, facing declining share, could make a calculated decision to refrain from significant price increases. "You've got an environment where we'll have price increases against the backdrop of a weak consumer. Private label will also have to take price increases," he said. "That's likely to hit category growth again."

"Price increases are never positive," added Mr. Sicher. "But the category is going to get more attention, in terms of marketing, and consumers' interest in

healthy beverages will help."

Indeed, all the major juice brands are planning major marketing and branding initiatives for the coming year. But the most closely watched will be Tropicana. As the largest single brand in the refrigerated juice category, Tropicana's failed redesign, introduced in January 2009, frustrated consumers. Tropicana responded by pulling the Arnell Group-designed packaging in late February. "The biggest mistake we made last year was underestimating the passion consumers have for our business," said Andy Horrow, chief marketing officer at Tropicana.

According to IRI, the brand had an 8% decline in unit sales, and dollar sales fell 11% to \$862 million in 2009. Many will point to the redesign as the reason for the decline. Mr. Horrow blames the strong showing from private-label brands, which did see a 21% increase in unit sales and a 5% increase in dollar sales last year.

"I attribute [the sales decline] first and foremost to the large supply of oranges that created a really big market for private label. Put that together with an economic downturn, and it's the No. 1 factor," said Mr. Horrow. "But let's be honest. We had a tough year last year coupled with the fact that we weren't very

"People now understand that a calorie is a calorie and that refrigerated juices are healthy beverages.... I think, both in the U.S. and globally, the juice business has growth potential over the next several years."

loud in talking about Tropicana."

Mr. Horrow said the brand will be much louder this year, with a significant investment behind the newly launched Juicy Rewards program. Media from Contagious Content, a London-based agency, will launch Feb. 3, and Ogilvy Public Relations Worldwide will handle PR and social media. Mr. Horrow said Arnell doesn't have the kind of involvement it had prior, and he doesn't foresee the agency working on the business.

Still, even as Tropicana has seen declines, other brands have been growing—most notably Simply and Florida's Natural, which saw unit sales grow 7% and 6%, respectively last year, according to IRI. Both Coca-Cola juice brands are handled by Doner, Detroit.

Mr. Lincer said Florida's Natural is breaking new campaign in February from 22Squared that will continue to emphasize the brand as being Made in the USA. Meanwhile, Minute Maid unveiled plans for redesigned packaging in November, which will roll out globally throughout this year. Both Messrs. Lincer and Crockett declined to comment specifically on the impact of Tropicana's redesign, though both said their respective brands enjoyed growth in 2009.





REVIEW: WALMART AGENCY: MARTIN LOCATION: RICHMOND, VA.



## Watch this spot and then tell me that unicorns aren't real

Truth in advertising is a fictile concept.

Not fictional ... fictile. It can be stretched and molded to suit the circumstances, typically by squishing truth into a more convenient size. Why say "the finest hops like every other brewer's finest hops" when "the finest hops" is so concise?

Or why say "my opponent voted aye for the farm bill that included an amendment repealing an antiquated law prohibiting children from hand-ginning cotton" when you can say "my opponent voted to remove child-labor protections" without straying from the literal facts?

Or why say "never contained cholesterol but larded with cholesterol-forming saturated fat" when you can slap "contains no cholesterol" on the label?

Or why quote the movie review that says "a breathtaking failure on every level" when "BREATHTAKING!" looks so breathtaking?

That's why people don't much trust advertising, which is often just truthful enough to keep the lawyers happy and the FTC off your back, while still trading in puffery, half-truths and even big lies. Yet one thing advertising is fantastic at: identifying and dramatizing tiny little human truths.

McDonald's, for instance, has for decades brilliantly captured the interactions between parents and their adorable (Happy Meal ordering-but-not-actually-eating) kids. Bud Light has done much the same, albeit leaning more on caricature and hyperbole, with the battle of the sexes. And the mobile-phone category seems to understand families better than Tolstoy.

Well, add a new advertiser to the fold. Walmart, hitherto often a purveyor of treacle and dubiously Walmart-centric vignettes, has found real life—in equal measures excruciating and hilarious.

Truly, this spot has it all: A 2010 family at pains to pinch pennies. An utterly devoted father willing to sacrifice his dignity for the sake of his child. A bunch of noisy little kids. A household accident of the sort all breeders can relate to, because those rotten kids never, ever pick up after themselves, leaving a trail of IIDs (improvised impalement devices) strewn everywhere.

The spot, from the Martin Agency, Richmond, Va., begins with Dad at Mom's makeup table finishing up his clown get-up. Blue hair. White skin. Red nose and mouth. Floppy feet. The whole deal. "It's time for Daddy to make some funny," he says. Then he creeps toward the living room, where the guests at his kid's birthday party are opening presents.

Mom, meantime, is on the sofa with other parents. "Yeah! We got all of this at Walmart. The decorations, the tablecloths, all of the food. And [here she sees her hubby approaching the kids, preparing to surprise them with his clowny hilarity] we even saved enough money for the ... for the ..."

She pauses there, because dad has jumped from the foyer to the living room, landing with full force on a toy unicorn, which goes right through his funny clown shoe into his unfunny foot. Dad screams. It sounds something like this: "YAAAAHHHHHHHH!"

And this: "... AAAAHHHHHHHHHHHHHHH!"

And this: "... AAEEEEEOOWWWWWW!"

Whereupon, as the screaming children run terrified from the room, Mom just finishes her thought: "... for the ... clown outfit."

Here the voice-over chimes in "Unbeatable prices backed by our price-matching guarantee. Save money. Live better.

Walmart." OK, got it, but truthfully, they had us at "Yaaaahhhhhh!"

Every parent knows that part of the deal, alongside kiddie parties and Happy Meal expeditions and ear infections and time outs, is the sudden discovery of a jagged object underfoot. Sometimes a Lego brick, sometimes a Barbie shoe. Sometimes a unicorn horn.

We are endlessly grateful to Walmart for validating our reality—even if, truth be told, they sold us the damn toy in the first place.

➔ You can reach Bob Garfield at [bobosphere@gmail.com](mailto:bobosphere@gmail.com)

## OUT OF RECESSION FROM P.1

of just when the industry will put the recession firmly behind it, one thing's clear: Whenever it happens, marketers had better be ready. Forward thinkers such as Allstate, Walmart, New Balance, Macy's, Procter & Gamble, McDonald's and Bank of America are already paving the way to recovery by spending on marketing and product innovation, cementing relationships with new consumers and rewarding loyalists who stuck by their brands during the bad times. They are also creating products and messaging that bridge from recession to recovery.

Hyundai, for example, is trying to strike a populist tone as the economy pulls out of recession. Its latest ads promoting its Assurance program, where a car buyer can return the car if they get laid off, all but reference the dichotomy between Wall Street's banking bonuses and the real situation: an image of tall, corporate-looking skyscrapers is accompanied by a voice-over that suggests the economy doesn't turn around until it turns around for all.

"We're saying 'things are better, but not great—so we're going to hold onto this [Assurance program] until it's over,'" said Joel Ewanick, VP-marketing at Hyundai. He added that marketing around the recession has been "incredibly effective for us. [Instead of] ignoring the big elephant in the room—there are people still out of work, 10% of Americans are still out of work—we're going to acknowledge it."

So, too, has Allstate, which is on the air with a spot, "The Great Recovery," which refers to the recession in past tense by asking viewers how they'll look back on it. "People are ready to stop being miserable," said CMO Mark LaNeve. He said the company is anticipating that consumers will be re-evaluating their finances and that Allstate is ramping up marketing activity behind discounts for multi-line purchases in order to take advantage of that. After trimming its ad budget last year, the company is plotting an "aggressive" increase for 2010.

### REDEFINING VALUE

A big part of the coming-out-of-recession strategy lies in keeping the value messaging that worked so well in the downturn, but now redefining the meaning of value.

"The economic environment has helped us frame the new direction," said Kim Sharan, Ameriprise CMO and president of Financial Planning, Retirement and Wealth Strategies. "As we're coming out of the recession, people are going back to community, really staying close to their homes and developing deeper relationships. ... It's more about emotional connections and asking 'Does it make you happy?'" Ameriprise is running a \$30 million campaign launched last week that centers on its 10,000 local advisors—and uses some of them in the ads talking about helping people reach their goals—with the tagline "More Within Reach."

"We are working to more clearly define Macy's value to our customers in a way that isn't focused only on price," said Martine Reardon, exec VP-marketing at Macy's. In order to make sure it's ready to capitalize on any shifts in buying habits, Ms. Reardon said that Macy's is investing in its long-term strategy, which includes the My Macy's localization program.

During the recession, New Balance chose to play up its patriotic heritage, with a "Made in the USA"-themed campaign. But Norma Delaney, senior man-



### ALLSTATE:

The insurer's CMO Mark LaNeve says people "are ready to stop being miserable."

ager-global advertising and brand strategy, said that the brand will begin to back off of that message as the economic climate changes. "There was a heightened awareness and sensitivity (around 'Made in the USA') because of the economy," she said. "We see it continuing. It's a core tenet of the brand. But it may be more limited to POS or online or it could be an internal facing effort in 2010."

Last year the brand was also very "tactical and transactional" in its messaging, Ms. Delaney said. This year, New Balance will be focused on touting new product innovations and "getting back into the branding space."

Ms. Delaney said the brand relied heavily on print and digital in 2009. In 2010, the ad budget is bigger, though not as big as it was in 2008, and TV is again on the table. "We peeled back in 2009, but we didn't disappear," she said. "There's a great opportunity in 2010 to go deeper and more frequent with our conversations. I think the consumer will be there waiting for us."

The banking and finance industry was arguably the most damaged by the recession, but even its flurry of initial assurances that they were "safe" and "secure," have been evolving to more product and customer-focused messaging. "At the height of the crisis there was a lot of press and some consumer questions about stability," said Meredith Verdone, Bank of America senior VP-brand, advertising and research. "Now they're less worried about that and wondering more how they can move ahead." To that end, it launched a \$20 million campaign last week targeted at wealthy Americans and encouraging them to work with a Merrill Lynch advisor to help focus on what matters most.

"Smart marketers would be thinking holistically from a planning perspective having a strategy that really can play in good times and bad," said Andrew Razeghi, marketing professor at Northwestern University's Kellogg School of Management, adding that companies must avoid a "knee-jerk reaction" to the economy by making big changes to pricing, marketing or products. "The question of where to distribute and how to have it available should be somewhat agnostic to the economy."

He pointed to P&G's historical ability to navigate recessions by making "their products more relevant." And indeed, Chairman-CEO Bob McDonald has described the current product pipeline as possibly the strongest in his three-decade P&G career. "Regardless of the economic conditions, we have always tried to win the value equation with consumers," said a P&G spokeswoman, "and value is not just about price, but also about benefits fueled by innovation."

Sanford C. Bernstein analyst Ali Dibadj said that consumers still seem

willing to open their wallets for genuine innovation, be it iPhones or Kindles. But he said package-goods and other players need to prove they have innovation of similar value. It's a phenomenon Kimberly-Clark Corp. Chief Marketing Officer Tony Palmer views as an increasing need for brands to prove themselves not just against others in their categories, but against other categories.

### PERFECT TIME FOR INNOVATION

"We feel that consumers are really shifting from looking at the value they get from a category to value across categories, and they'll trade off," he said. "That mindset in part is forcing brands to offer innovation that either is—or at least seems—bigger than what they've offered in years past. "A lot of innovation has been pretty mundane and has probably actually destroyed value for the consumer to the extent that it's just added more [stock-keeping units] on the shelf and created confusion," Mr. Palmer said. "A more discerning consumer and [retailers] just puts more pressure on us to have innovation that's truly meaningful."

It's "the perfect time to fill up the innovation pipeline," said Mr. Razeghi. "Now is really the time to launch a disruptive idea in test." He said P&G launched two of its highest-priced products, Swiffer and White Strips, during recessions.

Reckitt Benckiser is launching the first new form in automatic dishwasher detergent since tablets hit the market last decade: a premium-priced Finish Quantum dispenser that holds 12 loads and releases three ingredients to maximize cleaning, said Rob de Groot, the company's exec-VP-North America, Australia and New Zealand. RB's Lysol is also making its first move into hand soap with a motion-activated touch-free dispenser that's a first for home use.

Mr. Razeghi credited McDonald's with some of the most impressive recession-time marketing. "If you look at how McDonald's has navigated through the recession, they're a value brand, but if you look at what they've done at product level, changing and repositioning products like the value menu, there are some good lessons," he said. Without getting into specifics as to how the chain gauges consumer sentiment, McDonald's executives maintain that the chain can generate more value messages when their patrons are feeling strapped, and push pricier items when they feel like a treat. The chain posted 2.6% same-store sales growth in the U.S. for 2009, when most of the industry was flat or down.

Whether it be through transitional messaging, product mix or innovation, the bottom line of marketing your way out of a recession boils down to honing your relationship with the consumer.

Mike Gatti, exec director at the Retail Advertising and Marketing Association, said retailers that attracted new customers in the downturn will need to focus on the new relationships they built with consumers to avoid losing them to their old shopping habits in the recovery. "It's like dating but on a much bigger scale."

Noted Mr. Razeghi: "Now is an opportunity to understand who really are your core customers."

WRITTEN FROM BUREAU REPORTS

➔ Do you know of a good example of a company marketing their way out of the recession? Comment on this story online or e-mail us at [AdAgeEditor@adage.com](mailto:AdAgeEditor@adage.com).



# THE WORK

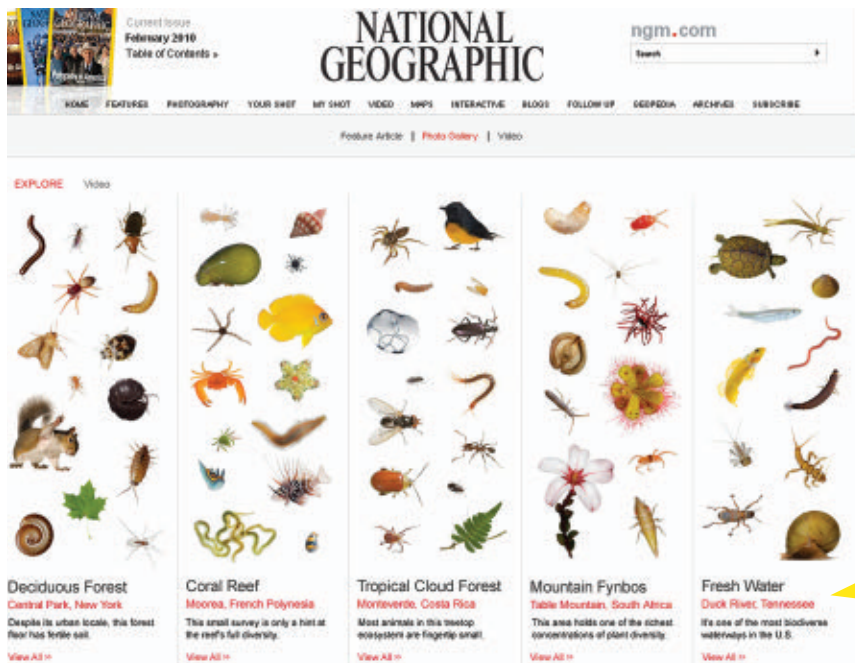
Edited by  
**Teresa Iezzi**,  
tiezzi@creativity-online.com

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## NATIONAL GEOGRAPHIC: DAVID LIITTSCHWAGER ONE-CUBIC-FOOT-COLLECTION

For its February issue, National Geographic commissioned photographer David Liittschwager to document life in "one cubic foot." Liittschwager planted a 12-inch cubic green metal frame at various sites around the globe—from Central Park to Moorea, for three weeks at a time, photographing each creature that passed through its bounds.



**CLIENT:** NATIONAL GEOGRAPHIC/  
DAVID LIITTSCHWAGER

**PHOTOGRAPHER:**  
DAVID LIITTSCHWAGER

**CREATIVE DIRECTOR:** GREG HARRIS

**WEB DEVELOPMENT:**  
STEFAN ESTRADA

**FLASH DEVELOPMENT:**  
STEFAN ESTRADA

**NGM.COM:** SHAWN GREENE,  
JOHN KONDIS, SABI CHAWLA, PAUL  
HELTZEL, WILLIAM BARR

**COPYWRITER:** JENNIFER S. HOLLAND

**COPY EDITOR:** NANCY GUPTON

## ANDES BEER TELETRANSPORTER DEL CAMPO NAZCA SAATCHI & SAATCHI

To help pave the way for uninterrupted beer drinking with buddies, Del Campo Nazca Saatchi & Saatchi created these sound-proof, sound-FX equipped booths and placed them in the middle of the busiest bars and clubs in Mendoza, Argentina. When guys needed to report back home to their ladies, they could do so in the haven of the Teletransporter, surrounded by the sounds of their choice. Sexist? Sure. But it's a beer campaign.



**CHIEF CREATIVE DIRECTOR:**  
MAXI ITZKOFF

**CLIENT:** ANDES BEER

**CHIEF CREATIVE DIRECTOR:**  
MARIANO SERKIN

**CREATIVE DIRECTOR:**  
JAVIER CAMPOPIANO

**COPYWRITER:** PATRICIO DEL SANTE

**ART DIRECTOR:** CARLOS MULLER

**DESIGNER:** BRUNO TORTOLANO

**DESIGNER:** JUAN PEDRO PORCARO

**AGENCY PRODUCER:**  
ADRIAN ASPANI

**AGENCY PRODUCER:**  
CAMILO ROJAS, PATRICIO MARTINEZ

**BOOTH DESIGNER:**  
AD PRODUCTIONS

**PRODUCTION COMPANY:** PRIMO

**DIRECTOR:** NICO Y MARTIN

**EXECUTIVE PRODUCER:**  
CAROLINA CORDINI

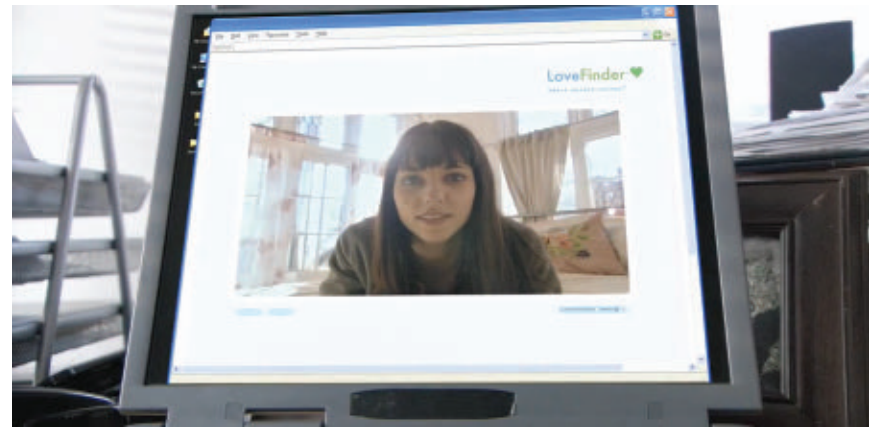
**PHOTOGRAPHY DIRECTOR:**  
LEANDRO FILLOL

**POST PRODUCTION COMPANY:**  
SUPERCHARANGO

Para Fuera (away with it) takes a look at the fascinating life of this other Bing—a cardiologist, composer and author who left Nazi Germany in 1934 and eventually came to the U.S.

## KNORR SIDEKICKS: DATING DDB, TORONTO

Knorr goes the cute route, bringing back the hapless, ever-so-adorable Salty to promote its low-sodium offerings.



**CLIENT:** KNORR

**CREATIVE DIRECTOR:** ANDREW SIMON

**ASSOCIATE CREATIVE DIRECTOR:**  
DAVID ROSS, PAUL WALLACE

**ART DIRECTOR:**  
PAUL WALLACE, JORGEN STOVNE

**COPYWRITER:**  
DAVID ROSS, RYAN HAMACHER

**AGENCY PRODUCER:** ANDREW  
SCHULZE, MARIE-PIERRE TOURE

**DIRECTOR:** DAVID HICKS

**PRODUCTION COMPANY:**  
SONS AND DAUGHTERS

**EXECUTIVE PRODUCER:** DAN FORD

**LINE PRODUCER:** ROB ALLAN

**DIRECTOR OF PHOTOGRAPHY:**  
ADAM MARSDEN

**CHARACTER DESIGN:**  
BIGSHOT TOYWORKS

**EDITORIAL:** PETE MCAULEY

**VISUAL EFFECTS:** AXYZ

**VFX PRODUCER:** IRENE PAYNE

**COMPOSITOR:** JAMES ANDREWS

**ANIMATOR:** DENNIS TURNER,  
MARIO MARENGO

**COLORIST:** BILL FERWERDA

**MUSIC:** PAUL SEELEY

**SOUND DESIGN:** PAUL SEELEY

## BBC: WINTER OLYMPICS PROMO RKCR/Y&R

An animated Olympics promo from RKCR/Y&R hints at the origin of winter sports.



**CLIENT:** BBC

## MICROSOFT BING: PARA FUERA CAA

CAA and Microsoft Bing partnered on this short film, which just premiered at Sundance. It tells the story of Dr. Richard Bing, who, nearing his 100th birthday sent a letter to Microsoft, letting the company know that there was another Bing out there. CAA spearheaded the film, which was directed by Nicholas Jasenovec out of Nonfiction.



**CLIENT:** MICROSOFT

**DIRECTOR:** NICHOLAS JASENOVEC

**EDITOR:** RYAN BROWN

**CHIEF CREATIVE OFFICER:**  
JAE GOODMAN

**CREATIVE DIRECTOR:** JESSE COULTER

**CREATIVE:** BEN JAMES

**CONTENT MANAGER:** JAY BROOKER

**PRODUCTION COMPANY:**  
NON-FICTION UNLIMITED

**PRODUCER:** PATRICK DEGAN

**EXECUTIVE PRODUCER:**  
SEAN CARVER, ERIC HADLEY,  
LORETTA JENESKI, MICHAEL DEGAN

**MUSIC:** DR. RICHARD J. BING, LUDWIG  
VAN BEETHOVEN

**SOUND MIX:** ELEVEN SOUND

**TELECINE:** CO3

**CONFORM:** METHOD

**FINISHING:** METHOD



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Invision, Inc.  
Lifetime Networks  
Mediamark Research  
& Intelligence

MediaVest Worldwide  
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