

Editors', Choice 2008

Considering some of the most pressing issues facing the PR industry, PRWeek's staff predicts which agencies, individuals, and companies will be making headlines over the next 12 months

PRWeek

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► Dell's expectations for the new super agency Da Vinci are quite high, meaning the marketing world is going to be watching very closely to see if the WPP firm can actually succeed. Profiles and analysis by *Keith O'Brien, Erica Iacono, and PRWeek staff*

When Dell chose WPP as the holding company responsible for helping it create super agency Da Vinci, one source told *PRWeek* that there was a slight, but noticeable sense of relief amongst some of the IPG major players. That source stressed that while no holding company wished to lose such a public battle to a rival, the details coming out in the news made the ramp up to formation seem Sisyphean.

Critics from other holding companies who spoke to *PRWeek* focused on their belief that Dell's expectations for Da Vinci to be 1,000-strong and running by March

were woefully misguided. Dell and WPP sources say that critics are biased, the agency is going to attract top talent, and it has the resources to make its goals a reality.

Both Dell and WPP are, of course, aware of the less-than-stellar history of creating an integrated holding-company agency. Critics will point to failed attempts by Bank of America and Pfizer to work with holding companies to create such agencies that served a particular marketing discipline, like advertising or PR. But Dell communications execs say those agencies appeared more "glued together" than assembled from the ground floor.

Casey Jones, Dell's VP of marketing, told *PRWeek* in 2007, "I've been striving for integration for twenty years, and I've decided to give it up. Because integration means you're trying to glue things together that are not organically part of the same thing. We're looking for an agency relationship where PR, media, Web site analytics, creative, planning are all fixed on one objective – shareholder value for Dell."

The fact that Sir Martin Sorrell, WPP CEO, has long championed integrated agency offerings, was likely a boon to its pitch for the business. But WPP has been very quiet about its plans for the agency. Both WPP and GCI Group, Dell's existing PR agency, declined to comment.

Since announcing the formation of the agency on December 2, Dell confirmed that Y&R Brand's CMO Mitch Caplan will serve as acting CEO for the transition team that will guide the creation of the 'Da Vinci' agency. Retired 40-year WPP veteran Bob Berenson will serve as chairman. Jeff Hunt, GCI Group CEO, would be a logical choice to serve as the PR lead on the agency, given his personal involvement with its largest client, but no such decision had been made at press time.

As it stands at the beginning of 2008, Dell and, more importantly, WPP are focusing on the perfect-world scenario that such a hiring binge will attract the best-and-the-brightest talent outside of Sorrell's company. And, no doubt, there will be some entrepreneurial marketing professionals who will view this as a unique opportunity to be on the forefront of marketing com-

munications innovation. Some will relish the opportunity to work with Dell. But, if that number doesn't add up to anywhere close to 1,000 people, industry watchers will be very curious to see how WPP handles reallocation of its personnel. At what point in this theoretical situation does the strain of hiring from within WPP devalue from the individual brands?

For its part, Dell believes Da Vinci will provide dream jobs for many of the industry's brightest talent.

"We expect there will be people who will want to come work for the new agency from outside of the winning company – so it's a pretty exciting opportunity not just for us, but for the entire industry," Andy Lark, Dell's VP of global marketing and communications, told *PRWeek* last month. "We're creating a magnet for talent in the new agency. These people will be rewarded for being entrepreneurs. We're confident that [we will poach talent], so we apologize in advance."

Agency CEOs say they think clients will be watching Da Vinci quite closely, a proposition that WPP must find very encouraging. Dell says Da Vinci would ultimately be able to serve other clients, and if success finds Dell, others will come running. The duo is expected to co-create a powerful measurement and analytics tool, which WPP hopes will appeal to other *Fortune* 500 companies.

Marketers, of course, have spent many years trying to come up with the most applicable and relevant measurement for its work, and, despite placeholder metrics that have satisfied client marketing personnel and C-suite executives alike,



Courtesy of Dell, Inc.

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no one has found the perfect combination of art and science. Marketers are still looking for the definitive way to tie their work into business functions like market share and direct sales.

While Dell's and Da Vinci's measurement tool is unlikely to crack this code immediately, the expectations – brought on in part by Dell's high hopes – will be large. Of course, if the measurement tool fails, it will be a disappointment.

But if it succeeds, WPP will co-own one of the industry's most important tools. And making a true correlation between marketing and sales could raise the profile of all disciplines in the eyes of CEOs.

Dell marketing communications executives told *PRWeek* the company is suffering from a glut of unrelated marketing messages, which is mostly attributed to its previous structure and the fact that it had more than 860 marketing agencies. Therefore, Dell expects Da Vinci to help tighten that mess into a few cogent marketing approaches. Perhaps that, more than the quick ramp up and staffing concerns, will



Sir Martin Sorrell has championed integrated offerings, likely helping WPP's pitch

be the most Herculean of tasks.

The duo also has grand designs for a state-of-the-art conference room technology that will virtually sync both client- and agency-side teams for either planned or impromptu meetings. While Dell marketing executives have been mum on the details of the technology, they point to it, like other initiatives, as being revolutionary. If successful – and praised or emulated elsewhere – Da Vinci, and, by proxy, WPP, will receive more points for innovation.

Perhaps lost in the clamor is the fact that Dell will continue to make its money from manufacturing and selling computer products and services, not from creating the perfect marketing agency. It's worth mentioning that Dell will not make money off of additional billings, should Da Vinci nab other clients.

So if the newness of the agency dynamics isn't hard enough for WPP, the road ahead for Dell's core business will more than make Da Vinci sweat.

Despite Dell's feel-good story online and its rededication to cus-

Last year's picks

GOLINHARRIS

While most of the year was slow as far as new business, the firm ended strong by winning a big account from Yahoo.

BUZZLOGIC

The company finally launched its social media product in April – and a beta version of an ad tracker – but noteworthy news was hard to find.

tomer service, it has lost the top spot in worldwide sales to HP, and spent 2007 watching HP's lead widen. In Q3 2007, market research firm iSuppli said that HP shipped 13.1 million PC units, while Dell shipped only 9.9 million.

Dell has certainly decided to dedicate significant resources to online outreach to pockets of influencers and online customer service and troubleshooting, but the above

numbers prove that WPP needs to also focus Dell's broad marketing message to resonate with more consumers that are currently choosing HP over the Round Rock, TX-based company.

There is no guarantee that Da Vinci – or Dell, for that matter – will be successful. The strategy mapped ahead is audacious, and that has everything to do with Dell's Howard Beal moment, "I'm mad as hell, and I'm not going to take it anymore," regarding the previous profusion of agencies under its P&L statement. And it cannot be understated how much of its time, energy, and effort that Dell is placing in this agency structure. So, a failure to Da Vinci will be seen as a failure to Dell.

However, should Da Vinci flounder or fall apart, Dell will still manufacture and sell computer services and software. But the cost is much greater to WPP. Without its *raison d'être*, Da Vinci would cease to make sense. And WPP would be forced to cut its losses, shut everything down, and let go of a lot of talented professionals. ■

HONORABLE MENTION

TAYLOR

While the most obvious change about the agency last year was its new name and rebranding from Alan Taylor Communications, it certainly wasn't the only one. Armed with a new tagline – "partners in moving brands forward" – Taylor refocused its mission to serve consumer category leaders in the sports, lifestyle, and entertainment categories, cutting its client list to a select group of 22 in the process. The philosophy of having fewer clients is something Taylor practiced long before its rebranding; since 2004, the firm has cut about 50 clients from its roster, yet revenue rose from \$8 million to nearly \$18 million in 2006.

Despite reducing the number of clients, Taylor has worked

hard to expand its footprint both nationally and globally. Last March, it opened an LA office to better serve clients in the entertainment space and created an office in London to aid in its global work. In November, the agency continued its growth by adding a Chicago office. Last year also saw the addition of a Hispanic marketing practice, Taylor Primero, which was developed in part via acquisition of Oralia Michel Marketing and Public Relations.

Looking back at the changes Taylor made in 2007 is important, but the firm's potential in 2008 earned it this honor. This year's Summer Olympics in Beijing will be a huge opportunity for Western brands to connect with a global audience, most notably the Chinese mar-

ket. Given its client roster, Taylor could very well be one of the premier agencies there.

Last October, Kleenex selected Taylor for all strategic PR related to its 2008 Olympic sponsorship, beating out Ketchum, which had previously handled PR for its activities during the 2004 and 2006 Games. The

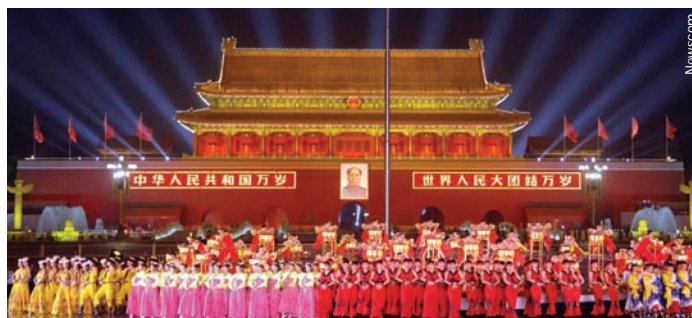
reason for the choice, said Joey Mooring, corporate communications manager at Kimberly-Clark, was that the company wanted to take "activities and involvement to the next level."

Taylor's dedication to the industry's future is also obvious. PR's lack of diversity is a fact that many firms bemoan, but

few actually take the time and initiative to make a difference.

Bucking that trend, in 2007 Taylor created the "Taylor HBCU (Historically Black Colleges and Universities) Challenge," a contest that invited college seniors from HBCUs majoring in PR and communications to develop and implement a three-month initiative to generate positive awareness of the efforts of local Boys & Girls Club of America volunteers. Not only did the challenge draw interest from 2,000-plus students, but the winner – a graduate of Florida A&M University – earned a full-time AAE post in Taylor's New York office.

With a clear eye on its future and the best interest of the industry at heart, Taylor is bound to make waves this year and for several more to come. ■



The 2008 Summer Games – and all the opportunities it will give Western brands to connect with a global audience – should bode well for Taylor

Who to watch

► *PRWeek's* staff looks to the future to pick the agencies, individuals, and companies that will be making news in the upcoming year

Agencies



BURSON-MARSTELLER

In 2007, Burson-Marsteller seemed to be the go-to agency for high-profile crisis assignments – from the aftermath of the Virginia Tech shootings to Blackwater's troubles in Iraq to Countrywide Financial's collapse. It will be interesting to see how that momentum carries over into 2008. And with the election season in full swing, Mark Penn's ability to balance the duties of being Hillary Clinton's main strategist along with his role as firm CEO will continue to be under the microscope.

PBN

In the politically chaotic, but economically dynamic, environment of today's Russia, Moscow-based PBN holds an edge over public-affairs-agency rivals

thanks to its relative longevity, having been in business there since 1990, just when the former Soviet Union was opening up to Western capitalism. With offices in DC, London, and Kiev, among other places, PBN represents clients in a number of sectors, including energy, financial services, healthcare, and IT. Now, with a recent investment from WPP Group, PBN looks well-positioned to continue its expansion in Eastern Europe, most recently opening an office in Sochi, Russia, home to the 2014 Winter Olympics.

LEVICK STRATEGIC COMMUNICATIONS

In 2007, the US financial market might have been bad, but that was good news to Dubai. The Emirates' land grab of



American institutions continued when Norse Dubai acquired a significant share of NASDAQ. While Dubai's acquisition of US ports was protracted and tortuously used for political theater, Levick Strategic Communications helped make this process seem effortless. Look for Dubai – and Richard Levick's firm – to remain active in 2008.

BITE COMMUNICATIONS

Despite the tough loss of GM Burghardt Tenderich, Bite seems primed to make large moves in 2008, thanks to its heavy bet on clean technology and other green initiatives. Working with Sun Microsystems, AMD, Applied Materials, and more, the firm is teamed up on some of the most expansive campaigns that tech companies hope will bolster their green credibility to the public.

A&R EDELMAN

In the year and a half since Edelman acquired A&R Partners, the combined agency has been quiet, but the noise coming out of Silicon Valley hasn't been too spectacular. The firm lost client Mozilla, and a Valley source said that another long-term client is apparently testing the waters. An agency source tells *PRWeek* that while the firm has had its road bumps, it's finally hitting a good stride. No doubt that 2008 will be the year to pick up the pace.

Last year's picks

ALLISON & PARTNERS

The firm is growing and made some structural improvements, putting its first GM in the San Francisco office.

LAGRANT COMMUNICATIONS

The agency was dealt a major blow this year when it lost the Nissan account, for which it had opened a Nashville office.

QORVIS

The agency continues to see great success as an independent firm representing a wide variety of organizations.

CKPR

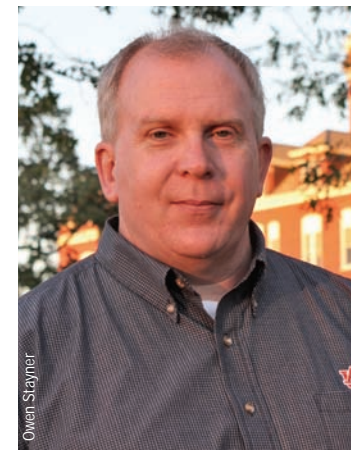
It won the Sealy and USO business, but it – and Cramer-Krasselt – hasn't taken the lead on showing the benefits of an integrated agency.

PEPPERCOM

It's been a relatively quiet year for the agency on new business announcements.

W2 GROUP

The one-laptop-per-child campaign had some bumpy moments, but W2 was able to keep the press focused on the potential of the product.



has been a little slow-going. For eight years, French has been at the forefront of the educational revolution, integrating new media tactics like blogs and Twitter into traditional PR courses. Such strategy has undoubtedly helped his students as they prepare to enter the workforce. Here's hoping that more PR educators will follow French's example.

ANNIE HOWELL, SVP OF COMMS, DISCOVERY COMMUNICATIONS

Here's one person who hopes that green fatigue won't set in. Discovery Communications is making a serious commitment to the public's interest in green, from the acquisition of TreeHugger.com to the 2008 launch of Planet Green, its 24-hour environmental channel. Even if the public is still interested in ecological living, it will take a masterful communicator to get the public, so keen on reality television, to devote their couch time to learning.



People

CHRISTY SALCIDO, CORPORATE COMMS VP, STARBUCKS ENTERTAINMENT

Not satisfied with its monopoly on the coffee market, Starbucks is working to be a real player in Hollywood, too. Last year was significant, as the division signed Paul McCartney as the first artist on the newly launched Hear Music. Other initiatives included a deal with iTunes, a book program that inspires sales, and a growing movie distribution platform. As head of communications for this growing unit of Starbucks, Salcido will play a pivotal role in the company's placement in the entertainment industry.

ROBERT FRENCH, PR INSTRUCTOR, AUBURN UNIV.

New and social media are certainly the buzzwords in the PR industry, but getting them into the curriculum at universities

