

ARNOLD

NUMBERS

Billings, revenue rose 12% to \$2.9 billion and \$255 million. Won RadioShack (\$250 million), Hershey's (\$85 million), MobileESPN (\$50 million), Lumene (\$5-10 million), CareFirst Blue Cross Blue Shield (\$5 million). Lost Volkswagen (\$400 million) without a review to CP+B. (December loss had no impact on '05 revenue.) Other defections: Goodyear (\$60 million), Bermuda tourism (\$15 million), Delta Faucet (\$10 million), Bob's Stores (\$5 million). Vonage boosted spending 7% to \$75 million, Tyson Foods 25% to \$60 million, Royal Caribbean 8% to nearly \$105 million. American Legacy spending fell 45% to \$30 million.

CREATIVE

Subtly humorous approach is exemplified in VW's "Raw Texas" Passat spot, in which guys buy sushi from roadside joint in blazing desert heat, confident that air-cooled glove compartment will keep the meal from spoiling. The spot makes its case quickly, efficiently and stands up to repeated viewing. That describes most of work on reel, which includes similarly pleasing effort touting the Passat's rotating headlamps (driver tails biker on spooky country road, helping to light his way). "Checkpoint" spot, with border guards so taken by Passat's many compartments that they dismantle it as its astonished owner looks on—is another winner. Sitcoms are deftly spoofed in "Fair Enough," a darkly comic American Legacy ad that portrays cigarette honchos as prime-time boardroom buffoons. With nine 60-second "episodes" as well as print, radio, Web and outdoor, "Fair Enough" surrounded teen target with facts about tobacco industry and packaged them in easily digestible TV-series format. Overall, print is sharp, stylish and well art-directed, especially for Timberland. "Umbrella" drapes a waterproof coat over an umbrella handle. And "Long Cold Winter" shows down feathers (from a seasonal jacket) floating like snowflakes around a rugged boot. In each case, visuals tell the story.

MANAGEMENT

Moved quickly to contain fallout from late-year VW loss, cutting 50-80 Boston HQ employees (10-15% of staff) in October, a few weeks after account shift was disclosed and two months before business moved to CP+B. Two managing partners left in VW's wake: ecd Alan Pfafenbach, who had long orchestrated VW's campaigns, and evp John Castle, who ran VW for most of its 10-year run at the agency. Agency won 14 of 22 pitches overall. Chairman Ed Eskandarian served in advisory role to Havas chairman Vincent Bolloré and CCO Jacques Séguéla after investor Bolloré deposed former chairman and CEO Alain de Pouzilhac.

REGIONAL HIGHLIGHTS

In first full year splitting time between Boston and N.Y., president Fran Kelly helped latter pick up chunk of Hershey's account, as well as Lumene cosmetics in waning days of the year. McLean, Va., scooped up CareFirst. Otherwise, the outposts were quiet. Evp Karen Riordan transferred from Boston to McLean in November to oversee Amtrak, Choice Hotels.

COMMENTS

Ex-Mini exec Kerri Martin's arrival at VW sealed Arnold's fate on flagship account. Domestic sales had been in five-year skid, but loss still cuts extremely close to the bone, emotionally and financially. Eskandarian, 69, has set the stage for the future, passing CEO mantle to Kelly in March '06. (Eskandarian remains chairman.) But how rich will that future be? RadioShack, MobileESPN, Legacy give shop a creative hand to play, but finding another signature account may be tough.

B

BBDO

NUMBERS

Billings up 28% to \$4.6 billion; revenue up 18% to \$637 million. Won Bank of America (\$240 mil. of \$600 mil. account), Lowe's (\$315 million), Mitsubishi (\$200 million), Motorola (\$100 million), Levitra (\$90 million), F*Trade (\$85 million), eBay (\$80 million), Dial (\$35 million), Life Savers (\$15 million), ProFlowers (\$10 million). Lost Office Depot (\$85 million), Stainmaster (\$10 million), Pioneer (\$5 million). Loss of Visa USA (\$335 million) in November to affect '06.

CREATIVE

Motorola's Rokr phone spot is best, as Madonna, Iggy Pop, Biggie Smalls jam phone booth for iTunes-enabled Cingular service. Danc-ing-elephant "Singin' in the Rain" spot positions GE as warm, fuzzy, believably eco-friendly; print with birds and airplane in corner of sky is bland by comparison. Army-themed M&M's print, while cute, pales next to trippy, kaleidoscopic TV. Sierra Mist spot with comedians in "rock-paper-scissors" skit offers amusing take on "It's that refreshing" tag. EBay makes intriguing use of word "It," featured as tiara, bedroom mobile, gym-class equipment, etc.; translates beautifully in print, with "It" as pink, furry object. Rokr promotion on Cingular's Makemedance.com is entertaining, allowing users to match music to characters or uploaded images. Aquafina Sparkling print offers tactile pleasure with actual bubble wrap on ad. Jeep print with Wrangler parked next to other adventurous vehicles (snowboard, kayak, mountain bike) casts brand as fun and functional.

MANAGEMENT

In first full year as worldwide CEO, Andrew Robertson, 45, brought more cohesion to 286-office global network, implementing uniform strategies and tools and presiding over a run that earned shop *Adweek's* Global Agency of the Year award for 2005. North America chairman, CCO David Lubars, 47, continued mission to bring king of big-budget TV into 21st century. He cleaned house, replacing many old-school creatives with talent more comfortable with integration, such as Fallon's Greg Hahn (March) and David Carter (September), both 38. Pepsi guru Bill Bruce elevated to New York cd in October. Lubars' ex-Fallon pal Mark Goldstein joined in March as N.A.'s new-business leader; pitch ratio improved to 11-for-13, from 5-for-22 in '04. Lubars also streamlined region, with BBDO West reporting directly to N.Y. Losing 20-year client Visa a painful way to close out the year.

REGIONAL HIGHLIGHTS

Under CEO Tonise Paul, 48, Chicago rebranded in July as Energy-BBDO, ostensibly to handle conflicts with BBDO proper; has separate business plan, strategy. Detroit CCO Gary Topolewski left in September after a year; not replaced. BBDO West CEO Tom Hollerbach left in September, not replaced, after L.A. was restructured to report to Peter Sherman, who moved from N.Y. to S.F. as West managing director.

GLOBAL HIGHLIGHTS

Twenty BBDO shops named agency of the year in their markets. AMV BBDO London retained more than \$100 million in billings (Sainsbury, British Telegraph, Homebase). Direct marketing arm Proximity won pan-European relationship-marketing job from P&G. Y&R's William Eccleshare named to run BBDO Europe (started in '06).

COMMENTS

In January '06, Robertson handed off North American CEO duties, tapping BBDO Canada CEO Gerry Frascione. Challenge for Omnicom agency now is not to be crushed under weight of success. By March '06, DirecTV (\$120 million), Frito-Lay's Doritos (\$30 million), Masterfoods' Snickers (\$40 million) sought greener pastures.

A-

BARTLE BOGLE HEGARTY

NUMBERS

Billings up 31% to \$489 million; revenue up 10% to \$33 million, from a restated \$30 million. Won Dyson (\$50 million), global British Airways (\$35 million in U.S.), Unilever's global Vaseline (\$25 million in U.S.), global Omo (\$10 million in U.S.) and Dove Shampoo project (\$10 million) and global EDS (\$15 million in U.S.). No losses, but \$30 million SUV safety project evaporated. Revenue from late-year '05 wins (BA, Vaseline, Omo) hasn't kicked in.

CREATIVE

Sly TV work for Axe connects with a wink and smile, especially spot showing the impressions that Axe-induced lovemaking leave on women's backs (i.e., no-smoking symbol from airplane bathroom). Curiosity drives a spot for Axe shower gel that pans up several floors of an apartment building, with women writhing against a water pipe on each floor, before revealing a 20-something guy applying gel over a drain. All detergent spot touting added fabric softener bucks category conventions by using animation to lightheartedly show the difference between soft and stiff clothes. Levi's TV work entertains through a mixture of storytelling and music, such as humorous print in which a dude who dons jeans tossed out apartment window finds himself spasmodically taking on the apartment guy's every move (to the tune of Stevie Wonder's "Superstition"). A column of leaden copy in EDS print fails to live up to the stark image of a weathered bolt-cutter. Integrated print, outdoor and Web effort for Johnnie Walker succeeds through simple lines, bold colors and messages tailored to different environments.

MANAGEMENT

Cindy Gallop, 45, who opened the N.Y. office in 1998 and became U.S. chairman and global CMO, left in August after 16 years. Worldwide CEO Nigel Bogle, chairman John Hegarty filled U.S. role with Steve Harty, 53, ex-managing partner of IPG's Plus Consulting Group, who joined in September as N.A. chairman. His brief: generate new business, manage clients and expand the offering beyond advertising. N.A. CEO Gwyn Jones and ecd Kevin Roddy, in first full year as partners, won 4 of 7 pitches. Shop contributed significantly to global BA and Omo wins and landed Vaseline without a pitch. In September, Roddy lost cd team: Copywriter Peter Rosch and art director John Hobbs, who had worked on Levi's, Axe, became co-ecds at Lowe.

GLOBAL HIGHLIGHTS

In October, shop hired Arto Hampartsoumian, ex-managing director of Wieden + Kennedy in Tokyo, to set up sixth office in Shanghai that's due to open in '06. (Hampartsoumian took role of CEO.) The micro network was a giant killer in new business, beating JWT (300 offices) and Lowe (80+) to claim strategic, creative lead on Omo and setting back the likes of DDB and JWT in the BA pitch. All told, the agency won 68% of its pitches (19 of 28), pushing worldwide billings up 50% to \$1.4 billion and boosting worldwide revenue 13% to \$104 million. In October, London launched an unprecedented 24-hour channel for Audi on Sky Digital that offered diverse content (sports, celebrity interviews, documentaries) as means for building the brand.

COMMENTS

Shop vaults into *Adweek's* national rankings after best new-business year ever, adding \$475 million in billings worldwide, including \$145 million in the U.S. Long known for stylish, attention-grabbing work, shop has hit its stride, beating larger rivals in global pitches.

B

BERLIN CAMERON UNITED

NUMBERS

Billings fell 41% to \$475 million; revenue down 15% to \$64 million. Won Heineken Premium Light (\$40 million), *Wall Street Journal* (\$10 million), Nestlé Purina Secondnature dog litter and Busy Bones (combined \$5 million), *Marie Claire* (\$2 million). Lost Coke C2 (\$40 million). Lost Coca-Cola (\$200 million) and Samsung (\$100 million portion) in fourth quarter, too late to fully affect revenue. Quickly trimming ranks prevents failing grade.

CREATIVE

Best spots are for clients that have since left: Coca-Cola, Samsung. Coke holiday spot in which curious polar bears join partying penguins hits high on heart-warming meter. Coke with Lime spot makes product intro celebratory with clever use of catchy Harry Nilsson song chorus ("Put the lime in the Coke, you nut") that inspires boardroom, assembly line, newsroom to join in. Amusing Samsung spot effectively highlights product range with corporate teeny-weeny on cruise who uses Samsung technology to record compromising scenes of higher-ups. Boost Mobile spot imagines rapper Fat Joe's life if he never got a call to go to a show—he becomes a pet psychiatrist. It's funny, but not funny enough to leave lasting impression. New York Life's emphasis on unshakable values well conveyed with time lapse of desk that updates through the decades while contract remains the same. Stunt woman jumping through fire on motorcycle for White Wave Silk Soymilk spot should empower, but is unrealistic for everyday women. Viral for Secondnature dog litter ("Poop happens") hilariously sends up crime docu-dramas as dogs, their faces concealed, confess to "accidents." Print is strongest for The Glenlivet, sharing historical stories set as if part of label. Samsung print ad showing woman's hair blown by tornado on TV promises more excitement than it delivers. *Wall Street Journal* ad of woman reading paper and copy, "The boys club keeps me down," with last word crossed out, replaced by "fighting," seems dated.

MANAGEMENT

Chairman Andy Berlin, N.Y. CEO Ewen Cameron, president Bill Grogan struggled in first half to absorb large prior-year wins while pitching Intel, Revlon, Jaguar, coming up short in all three. After holding on to Coke for two and a half years, situation got "real," and U.S. account left, followed by Samsung. Agency responded by cutting nearly half of staff (40 people). New-business head Avi Dan departed in August, succeeded in October by director of account services Simon Little. Berlin spent fourth quarter concentrating on overseas offices, leaving Cameron, Grogan to steer N.Y.

REGIONAL HIGHLIGHTS

Cole & Weber United in Seattle won several awards, including Grand Clio, for integrated Rainier Beer campaign, was finalist in Sun Microsystems review before losing to Butler Shine. Office now looking to replace cd Guy Seese, who left in January '06 for Goodby.

GLOBAL HIGHLIGHTS

In September, Red Cell CEO Andy Berlin finished paring down 56 offices to eight and renamed network the Voluntary United Group of Creative Agencies. Rest were absorbed into other WPP networks.

COMMENTS

What a difference a year makes. After four years of double-digit revenue growth, the 9-year-old creative jewel in WPP's crown went into a free fall. With employment contracts expiring in December, it will be interesting to see who among senior partners—Berlin, 56, Cameron, 41, and ecds Jason Peterson, 37, and Izzy DeBellis, 42—will remain into 2007.

C-

LEO BURNETT

NUMBERS

Billings, revenue up 2% to \$4.4 billion and \$407 million, based on restated numbers that include Arc U.S., other subsidiaries. Added Samsung (\$400 million global, about half of that U.S.), Coca-Cola image assignment in late third quarter, Turner Classic Movies, Diageo introduction. Core clients Kellogg, Procter & Gamble, Allstate, Philip Morris collectively boosted billings by \$75 million. Split with Morgan Stanley (\$80 million) in August. Washington Mutual win (\$100 million) and Army loss (\$200 million), both in December, not yet realized in terms of revenue.

CREATIVE

Nice job when they let the story shine, but the easy laugh sometimes gets the upper hand—as in Allstate ad where Nascar women crash into pole while distracted by sexy Kasey Kahne. U.S. Army spot with man noticing son's firm handshake, level gaze gives tangible reason for parents to support enlistment in tough times. Altoidia spot that gives viewers a documentary-style glimpse into the native habits of the "People of Pain" humorously extends Altoids' "Curiously strong" positioning. Jazzy Chef Boyardee spot tells fun story of boy with supernatural jumping ability—bounding up stairs, erasing blackboard, saving cat from tree, etc.—all, it turns out, because the product is on a high shelf at home. TCM print noting difference between "deadly" (angry giant gorilla) and "classic" (horny giant gorilla) gives a reason to watch old films. American Girl promotion to "Save girlhood" overstates its case. Creating 5-second TV spots for Cadillac and encouraging viewers to submit their own via Web is smart. But movie tie-in to *Be Cool* feels forced.

MANAGEMENT

In first full year as U.S. president, Rich Stoddart, 43, took more control of Publicis Groupe agency's executive board than his predecessors, adding CMO Ben Kline, CFO Bob Maloney, strategy officer Rick Houghton-Larsen, Arc executives Marc Landsberg and Bill Rosen. Stoddart's biggest move last year: picking popular insider John Condon, 44, to replace Cheryl Berman as CCO after yearlong search. (Berman, 53, will continue as chairman and work on key accounts.) Also promoted: Kellogg account director (and board member) John Sheehy, to director of account management. Agency revamped client-service practices, creating model that puts equal weight on execution and strategy, set multidisciplinary lead teams on each account. Minimal revenue gain after flat year in '04.

REGIONAL HIGHLIGHTS

In effort to project consistent brand, Detroit operation Chemistri took Burnett name in August. Jim Moore maintained global duties as General Motors account director, kept president title, reporting to global CEO Tom Bernardin. Tor Myhren continued as ecd, reporting to global deputy chief creative Mark Tutssel.

GLOBAL HIGHLIGHTS

Worldwide CEO Linda Wolf, 58, retired in April, paving way for Bernardin. He and Richard Pinder, president of Europe, Middle East and Africa, helped swipe \$400 million global Samsung business from WPP in October. U.S. COO Tom Dudreck became president of multinational accounts in December. Colombia president/CCO and worldwide P&G creative head Juan Carlos Ortiz became president of 18-country Latin American region in May.

COMMENTS

For the first time in five years, the place feels like it has direction. Now it's time for Stoddart & Co. to turn direction into momentum.

C+

CAMPBELL-EWALD

NUMBERS

Billings up 9% to \$2.4 billion; revenue up 8% to \$265 million. Biggest new-business achievement was retaining top-5 client U.S. Navy's \$90 million (annual) account, up for mandated review. Only other new client win was University of Michigan Health Systems (\$3 million), but revenue from November 2004 Alltel creative win (\$100 million) kicked in, and existing clients added below-the-line assignments: Kaiser Permanente added promotions/b-to-b work; Michelin, digital; Farmers Insurance, CRM; U.S. Postal Service, direct and custom publishing; GM, HHR launch and some direct.

CREATIVE

CCO Bill Ludwig does nice job extending Chevy's high production values to rest of roster, but core client remains shop's showcase account. Spot showing black cars and trucks circling to make a spinning record offers powerful graphic image well-tailored to Grammys. Kaiser Permanente spot featuring man trying to live healthier (to the tune of Dylan's "The Times They Are a-Changin'") along with "Be your own cause" message smartly softens HMO's image. Mysteriously appearing footprints on nighttime beach give Navy a touch of understated cool. Chevy Trucks' 12-page insert outlining differences between men and women amuses without sexism. Images of baseballs embedded in broken windshields in Chevy outdoor noting distance from home plate is nice way to link sponsored MLB All-Star game to hometown of Detroit. But other print breaks no ground: An Impala logo cuts through an article, or "Think outside the inbox" headline for Postal Service. HHR integrated effort, which included subverting own Corvette ad at All-Star game with overlaid banner and buyout of entire *Tonight Show* broadcast, is hefty idea fueled by big money.

MANAGEMENT

In 2005, eight-year CEO Tony Hopp moved to improve agency's integration. The IPG shop established "contact management" practice under Ed Dilworth (who joined the agency in 2004 as nontraditional marketing expert) and promoted strategic planning head David Hudson to chief strategic officer. Intention is to keep diverse pieces (custom publishing, digital, direct, CRM) working together. To better manage Chevrolet, the agency reorganized around individual nameplates, streamlining creative efforts on everything from vehicle launch advertising to local dealer promotions. Steven Majoros, 18-year account vet, is operations manager; Steve Pitsilos was promoted to ecd of Chevrolet Integration (Gary Pasco joined as his partner in '06); Andrea Wells remains Chevrolet account director; and FCB planning director Ted Klauber joined as director of Chevy account planning. Agency opened D.C. service office under account director Jeff Seregny to care for large government accounts (Navy, Postal Service) with an eye for more. Though small, UMHS win deepens health-care practice (which includes Kaiser Permanente, American Heart Association) while showing commitment to local clients.

REGIONAL HIGHLIGHTS

Handling bulk of Kaiser Permanente account has given Los Angeles outpost a profile, but shop failed to convert on \$3 million City National Bank win. C-E Retail managing director Dan Fletcher opted to move to Southern California office in December to be closer to key local market and other Chevy service offices.

COMMENTS

Agency did a good job of growing business by convincing clients to add below-the-line offerings, and surprisingly, Chevy maintained its ad spending level. But as GM goes, so goes the agency. And with that client struggling, hard times could lie ahead.

B-

CAMPBELL MITHUN

NUMBERS

Billings, revenue flat at \$1.1 billion and \$110 million. Won Hartford Insurance (\$30 million), Fresca relaunch for Coca-Cola (\$15 million), projects from Cargill (NatureWorks natural packaging) and Polaroid. Spending for core client General Mills was down 7%, or \$12 million, for the year, but revenue from late 2004 assignments (such as whole grain cereal push) carried over into 2005. Lost lead creative duties on Andersen Windows (\$30 million), but retained media.

CREATIVE

Work on some brands is moving toward whimsical humor. Campy Popsicle superhero, who defeats beach-threatening "storm cloud of injustice," a case in point, could run on kids' programming or late-night cable. Pop-Secret documentary-style spot of kooky guy who makes life-size girlfriend out of empty popcorn bags is funny and injects personality into the brand (they share a popcorn-filled tub). The "What's your Pop Secret?" tag and identity-hiding print ads are nice touches, but overall the campaign fails to comprehensively connect all the pieces. Polaroid spot showing man taking pictures at concert from hip pocket does nothing to differentiate brand. Hartford stag on NCAA basketball floor and NYSE an arresting image, but feels like an obvious solution. Overall, print work is improving, but still has a way to go. Hartford newspaper ad with antler emerging from stock tables is engaging. But others, like United Way ad with confusing red and white art direction and overwrought copy suggesting that a donation gives more than money, are lacking. Regional Verizon Wireless outdoor lazily relies on spokescharacter and generic headline ("It's the nation's most reliable network") to sell.

MANAGEMENT

Agency continues to struggle (second year of flat revenue after '03 decline), but one key hire may boost creative side. In his first full year as CEO, Jack Rooney, 48, tapped Leo Burnett vice chairman Jonathan Hoffman, 44 (who began his career at the IPG shop), as president and chief creative officer, filling a three-year vacancy. In only six months, Hoffman has added quirkiness to agency's previously staid work. In latter part of year, Rooney and Hoffman together pored over agency founder Ray Mithun's papers and memos in attempt to reconnect with his practical Midwestern philosophy and rebuild agency's identity. New-business conversion is still failing, with four of five attempts lost (including Papa Murphy's \$30 million account and H&R Block's \$10 million online account). Losing creative duties on 70-year client Andersen is a large psychological—if not financial—blow. Cut 2% of staff (10 people) in December. Former CEO Les Mouser, 53, became chairman and then retired from the agency in September.

REGIONAL HIGHLIGHTS

Five-year-old IPG-arranged marriage to Bozell Chicago came apart as Rooney sold remnants of neglected operations in February to independent Chicago shop Greenhouse Communications and former Bozell Chicago head Tom Hayden (and freeing Rooney to focus attention on Minneapolis HQ). Move shifted about \$25 million in billings, mostly from Mutual of Omaha insurance account.

COMMENTS

New management team of Rooney, Hoffman and CMO Norm Yustin (who joined in January '06) promises to boost energy and performance of moribund agency. But lack of new-business pitches so far this year, coupled with top-3 client H&R Block reviewing its \$100 million account, will make it hard to get traction, much less momentum.

C

CRAMER-KRASSELT

NUMBERS

Billings, revenue up 15% to \$643 million and \$96 million. Account wins included Takeda Pharmaceuticals' Rozerem sleep aid (\$75 million-plus), HBO Video (\$20 million), WellCare (\$15 million) and Yellow Tail wines (\$10 million). CareerBuilder.com increased spending 150% to \$25 million, while Corona increased 4% to \$55 million. Losses included Allen-Edmonds (\$3 million) and WD-40 (\$1 million). Shop quit creative duties on Popeyes (\$30 million) in December over compensation issues.

CREATIVE

Agency does nice job homing in on a brand's essence, but too often relies on broad humor. Tony Soprano berating son A.J. to the theme of *The Courtship of Eddie's Father* for HBO Video exudes charm, wit and laughs. CareerBuilder monkeys carry a ring of truth (who hasn't viewed their co-workers as simian?). Corona spots—with parrot opening a bottle and a "buenas noches" night scene on the beach—maintain distinctive brand positioning while feeling fresh. But G-string-wearing fat man for Evinrude and plebe-mocking boss (whom he mistakes for being on phone, not in person) in conference room for AirTran are well-worn ideas. BASF spot simply refreshes old message ("We make a lot of products you buy better"). Overall, print lacks verve. CareerBuilder monkeys and *MAD* magazine fold-up ad for Corona (putting lime in bottle and eliminating single cloud) bring personalities to fore. But AirTran, Popeyes print do little more than offer clever headlines, without any real point of difference.

MANAGEMENT

Key year for country's fourth-largest independent agency, as bigger, national clients like Mitsubishi, Payless ShoeSource and Washington Mutual wanted to hear from the shop. Problem continued to be conversion, as agency prevailed in 11 of 19 pitches across all five offices (4 of 8 in Chicago headquarters). Even small regional accounts like Northwestern Mutual, Harris Bank and Midwest AAA consortium went elsewhere. As remedy, CEO (who also oversees most new business) Peter Krivkovich, 58, in November reset agency management, promoting evp Karen Seamen, 49, to general manager of Chicago and evps John Melamed, 56, and Betsy Brown, 39, to Milwaukee co-gms, giving offices more autonomy in new business and other ventures. At the same time, Krivkovich named Marshall Ross, 45, chief creative officer (from ecd), overseeing creative in all offices save New York (where Larry Hampel and Dean Stefanides remain ecds). Under managing director Joel Curran, the agency's public relations practice, CKPR, grew 30%.

REGIONAL HIGHLIGHTS

In first full year of operation, N.Y. office pulled its weight, adding roughly \$40 million in billings (including HBO Video, Yellow Tail). Orlando added Florida Power & Light and Asheville (N.C.) tourism (\$15-20 million combined); Phoenix landed City of Phoenix Aviation Department. Milwaukee added Spice Islands (\$6 million), but lost Allen-Edmonds, WD-40. Six vp-level execs added in satellite offices.

COMMENTS

Cramer-Krasselt, now pitching against the likes of Leo Burnett and BBDO, makes it into *Adweek's* national rankings. Krivkovich vows to be more selective in pursuing new business to improve win-pitch ratio. Shop is off to a good start in '06, adding Key Bank (\$35 million), Effen vodka (\$5 million) in first quarter (though it failed to make finals for Discover's \$80 million). N.Y. office's early success bodes well for Krivkovich's plan to open full-service West Coast office.

B-

CRISPIN PORTER + BOGUSKY

NUMBERS

Billings, revenue up 54% to \$750 million and \$83 million. Added Volkswagen of America (\$400 million), Coke Zero (\$30 million), Sprite (\$45 million), Orville Redenbacher (\$20 million), Slim Jim (\$10 million). Joined Miller roster for Lite project. Split with Gateway (\$30 million) in July, resigned Mini Cooper (\$25 million) in September. Lost Molson (\$10 million) in March. Impressive revenue gain, but achieved off a smaller base than most national shops.

CREATIVE

Work is often startling and provocative, continues to push conventions. Adventures of the garishly odd Burger King continued in spots with him playing football, even intercepting a pass and scoring a TD, followed by funky dance in the end zone. Deliciously disturbing is David LaChapelle-directed "Fantasy Ranch" BK spot, with Darius Rucker as a cowboy singing about Chicken Bacon Cheddar Ranch in bizarro-world populated with scantily clad women, trees that grow sandwiches and, of course, the King. Surreal scenes continue in Mini spot about G-face, a facial contortion caused by driving a Mini, and in Slim Jim spot with man-fairy taunting teenager until he crashes on skateboard stunt. Spike Jonze-directed Gap spot creates unforgettable impression of bedlam with lumberjack and wayward driver among those helping to destroy a store, to herald renovations. The "Truth" anti-smoking campaign continues to excel with sitcom settings, complete with canned laugh tracks, of Big Tobacco execs discussing ways to reach younger customers, with dialogue taken directly from meeting transcripts. Print work is equally compelling. *Maxim* campaign against "Mantropy," the tragic transformation of men into metrosexuals, is worthy of a real national movement. Inventive "Counterfeit Mini" campaign, which won a Titanium Lion at Cannes, concocted the appearance of a growing national problem with ads for obviously fake Minis slipped into AutoTrader, a "consumer alert" video, promoted via direct response ads, that gave tips on how to spot a fake, and a Web site, counterfeit-mini.org, sponsored by the "Counter Counterfeit Commission."

MANAGEMENT

Chairman Chuck Porter, president Jeff Hicks, account services director Jeff Steinhour, ecd Alex Bogusky have vaulted agency to such heights that clients like VW and Coke bypassed reviews and came straight in. Some 100 staffers added in '05 to absorb growth; key hires included Scott Wild as cd, Rick Humphrey and Kim Wikstrom as account directors on VW, Wojtec Szumowski as "senior cognitive anthropologist," Gary Gonya as group planning director for Coke, Method soap, Virgin. Strengthened design capabilities with 20% investment in San Francisco design studio Fuse Project. Innovative media use (selling wacky products for Mini), deal with Fox Television Studio to develop programming also set agency apart from the pack. Also broadened horizons overseas with addition of BK Spain's \$12 million account.

COMMENTS:

The MDC-backed shop, *Adweek's* U.S. Agency of the Year for 2005, began 2006 with a buzz-generating debut for VW and played up the brand's German roots with exaggerated humor. Overseas expansion is part of the plan, as is opening an office in Boulder, Colo., this summer for Bogusky and other creatives drawn to the outdoor life. The shop's endlessly quirky creative choices are often polarizing, but audacity is this agency's lifeblood. The shop keeps innovating and growing. Can it sustain the heat?

A-

DDB

NUMBERS

Billings up 6% to \$3.57 billion; revenue up 12% to \$570 million. Won Luxottica's LensCrafters (\$60 million), Philips' Sonicare (\$40-50 million), Exclusive Resorts (\$30 million), Diet Pepsi NFL task (\$25 million), McDonald's premium coffee (\$20 million), ConAgra's Manwich, Marie Callender's, Hunts, Wolf's Chili (\$20 million), One.org (\$20 million), Johnson & Johnson's Cortaid (\$10 million), Schiff Nutrition (\$10 million), Gamefly.com (\$7 million). Lost Hershey's chocolate, Kit Kat, Take 5, York (\$45 million), Bank of New York (\$5-8 million). Revenue from late-'04 wins (Capital One, Subaru) kicked in.

CREATIVE

Emmy-winning Ameriquest Mortgage spot stands out with bizarre setup, deft timing: Guy in kitchen holding knife and cat over spilled red sauce freezes as woman arrives, comically conveying "Don't judge too quickly." Capital One's Visigoths emasculated in modern-day jobs colorfully depicts peace-of-mind idea. Bud Light spot in which parachutist balks, pilot dives after six-pack delivers belly laugh for 20something males. Colorful Diet Pepsi spot with P. Diddy starting soda-truck craze wears thin with B-listers like Carson Daly; hydraulically bouncing trucks are memorable, though. So is image of cars riding on two tires in Subaru Legacy spot, but punch line ("Why have four wheels if you're not going to use them?") fails to live up to quirky visuals. McDonald's Web-fueled tale of Abraham Lincoln-looking french fry feels self-consciously quirky. Print ad for Spicy Chicken Sandwich with woman on motorcycle and headline, "The girl is all spice," also tries too hard to be hip.

MANAGEMENT

Worldwide CEO Ken Kaess in March promoted U.S. CCO Bob Scarpelli, 52, to new post of worldwide CCO. In December, Chicago CEO Dana Anderson filled Chicago CCO job with Michael Folino from Dailey & Associates. New York managing director Peter Hempel, 46, in July rose to president, succeeding Bob Kuperman, 63, who retired in January. To expand new-business efforts, Kaess in October hired McCann's Lori Senecal to take new role of global CMO, effective Nov. 1. (She returned to McCann in February '06, triggering search for new CMO.) In November, Kaess took medical leave, leaving day-to-day management in hands of six-person global executive committee.

REGIONAL HIGHLIGHTS

Chicago's Anderson in May hired McCann S.E.'s James Lou as account planning director, succeeding chief strategic officer Jim Crimmins, who retired. In January, Dallas also got new director of account planning, Grey L.A.'s Chris Snook, as Ruth Parr retired. In March, Seattle managing partner Chris Lloyd rose to president. Ron Elgin remained chairman, CEO. Direct, online ecd John Livengood advanced to office ecd, succeeding Fred Hammerquist, who left in February.

GLOBAL HIGHLIGHTS

In December, London CEO Paul Hammersley, 43, quit to join Frank Lowe's new shop (followed by chief strategic officer David Hackworthy in January '06.) London-based European president Michael Bray assumed Hammersley's duties. Kaess in October promoted France Group CEO Hervé Brossard, 56, to new global post of chief client officer. Succeeding him as CEO: France Group managing director Jean-Pierre Séguret.

COMMENTS

Colleagues mourn loss of Kaess, who died last week at the age of 51. Kaess had discussed his succession plan with Omnicom's John Wren. A new CEO will be named this week.

B

DEUTSCH

NUMBERS

Billings, revenue fell 13% to \$2.7 billion and \$300 million. Won PacifiCare (\$125 million), Chevrolet Motor Sports, Major League Baseball marketing assignment (\$90 million), Helio (\$65 million), Dymo media only (\$15 million), Sports Authority broadcast media (\$10 million) and BabiesRUs (\$5 million). Lost Mitsubishi creative (\$200 million), Bank of America media (\$170 million), Revlon (\$125 million), LensCrafters (\$70 million), Coors (\$35 million) and Monster creative (\$35 million). Won then lost Orville Redenbacher (\$10 million). Agency fired its way out of an F grade.

CREATIVE

Reasonably interesting creative solutions in dry, difficult categories. Novartis' Zelnorm with symptoms written on people's abdomens grabs attention. Same for J&J's St. Joseph spot—banjo player sings catchy sing-along explaining product's effect on heart. PacifiCare direct spot prevents eyes from glazing over with *I Love Lucy* clip showing the Mertzes, voices dubbed, discussing Medicare. Pier 1 colorful montage ending with woman perusing catalog is average, as is T.G.I. Friday's spot in which sizzling food diverts hungry guys' attention from beautiful women. Old Navy horror film spoof is fun, with school desk chasing teen through woods and end frame "School is coming." Ad leads to Web site of the same name in which teens can create animated horror shorts and e-mail them to friends. Expedia spot gives honest look at travails of holiday travel with married couple kissing good night on Thanksgiving, then sleeping in bunk beds at relative's house. LensCrafters' print nicely illustrates "unconditional guarantee" promo with close-up of woman's face wearing sunglasses with words "Fear" and "Less" on each lens. Monster ad's "rainbow" of coiled cables gives idea of tech jobs some pizzazz.

MANAGEMENT

For first time in its 36-year history, agency CEO does not have name on door. Chairman, CEO Donny Deutsch, 47, stepped back entirely and in September relinquished CEO title to 15-year agency vet, COO Linda Sawyer. Throughout year, agency failed (uncharacteristically) to convert in reviews—Lowe's (\$315 million), Radio Shack (\$250 million) and Comcast (\$50 million)—while suffering account losses that resulted in revenue decline for first time in recent memory. Under Sawyer, 44, and managing partners Cheryl Greene, Val DiFebo, Kathy Delaney, Mike Sheldon and Eric Hirshberg, the bicoastal agency ended year with some momentum, winning Chevy marketing assignment and Helio (wireless account). Michael Duda elevated to partner in December, expanding new business development role to include some operations duties. New York headquarters got on Novartis roster, expanded relationship with J&J (Immodium, Motrin) and Starwood, winning Sheraton.com. Sawyer named four co-presidents: in New York, CCO Delaney, general manager DiFebo; in L.A., general manager Sheldon, CCO Hirshberg.

REGIONAL HIGHLIGHTS

For second consecutive year, Deutsch/LA was pounded by drawn-out client dissatisfaction: Mitsubishi creative loss, Coors consolidation, threat of Old Navy curtailment. Staffing fell at one point to 225 from 325 in '04.

COMMENTS

After slipping in '04, IPG shop stumbled badly in '05, but this year kicked off on a promising note with the return of Ikea (\$60 million) and DirecTV (\$120 million). Eight months after CEO transition and a rocky 2005, Deutsch seems to be recapturing some of its mojo.

C

DONER

NUMBERS

Billings up 8% to \$1.6 billion; revenue up 7% to \$151 million. Won LensCrafters direct (\$50-60 million), *The Source* (\$30 million), Food Network (\$20 million), Sirius Satellite Radio (\$15-20 million), Electrolux (\$10-15 million), Memorex (\$10-15 million, in December), GE Lighting (\$7-10 million). Lost PacifiCare's Secure Horizons (\$15 million), Hibernia (\$12 million), Helzberg Diamonds (\$10 million).

CREATIVE

Hotels.com spot with guest's eerie feeling of déjà vu drives virtual Web site tours, but unfrighteningly normal room doesn't sustain horror gag. Mazda Speed6 spot, with back-window-hanging shaggy dog wearing bike-racing helmet for aerodynamics, humanizes the brand. Mom awakening newlyweds still living at parents' home is oblique path to HGTV show. Quaker State Q spot with oily horses representing horsepower unleashed by product brings to mind an equine eco-disaster. Simply Orange spot (as narrated by Donald Sutherland) smartly lets carton info carry message weight. Progressive ad in which other insurance company takes "bent fork" of motorbike literally is silly joke, 20 seconds too long. Six Flags' Mr. Six shuffling off to pre-season chores reduces polarizing music/dancing to a minimum. Print is mediocre but for an arresting synchronized cardiogram matching Mazda Miata to driver ("Be the car"). Inventive integrated Mazda5 launch included Internet car sprite driving off assigned ad space and across Web page; an American Baby photo contest to reach the family demo; a "first look" deal with NBC wherein Mazda bought product placement in show promos and sponsored DVD magazine inserts of the shows; and a Quiksilver-artist customizing program, echoed in print wrapping the car in surf-culture cool.

MANAGEMENT

Chairman, CEO Alan Kalter and CCO John DeCerchio won 7 out of 12 pitches, but saw agency's two-year run of double-digit revenue growth come to an end. After ceding turf to multinational rivals owned by holding companies with specialty units, agency got serious about integrated marketing, starting "Retail Brand Activation" wing to beef up everything from POS to product placement. New relationship with Paco Underhill of consultancy Environsell and a Data Analytics arm aim to do original research on retail. Aligned with Mothersmovement.org for female insight. Kalter sees a future in positioning agency as an independent that nonetheless can offer the full range of services.

REGIONAL HIGHLIGHTS

Office in Newport Beach, Calif., adapted to new Mazda CMO Don Romano without a hitch, adding interesting integrated effort. No-TV effort for Mazda5 CUV launch exceeded client expectations in selling out the small volume imported from European inventory.

COMMENTS

The industry giveth and taketh away. After new-business hot streak, 2006 started ominously, as agency lost media on Six Flags (\$75 million) in January and is defending creative, lost Circuit City (\$135 million) in March, will lose B.F. Goodrich (\$10-15 million) this month after declining to defend. Newport Beach lost network's media director, Scott Penniston, in February to crosstown rival O'Leary and Partners. But \$40 million American Equity Mortgage win in March offers hope for Doner's unpretentious Midwestern charm.

C

EURO RSCG

NUMBERS

C- Billings up 15% to \$4.14 billion; revenue up 3% to \$539 million. Wins included Jaguar (\$75 million), Novartis (Benefiber, Keri, Vagistat; \$80 million), Sirius Satellite Radio/Howard Stern (\$20 million), Uniqiglo (\$10 million), Bose (\$5 million). Billings gain reflects increased spending from existing clients Schering-Plough (Claritin, Dr. Scholl's, Coppertone), Volvo, Nestlé (Lean Cuisine). December '05 win of Verizon b-to-b (\$75 million) not reflected in revenue, but late '04 win of Charles Schwab (\$100 million) kicked in. Lost Intel (\$300 million), Rent-A-Center (\$25 million).

CREATIVE

B Jaguar's "Gorgeous" campaign with youthful, beautiful people in elegant settings is appropriately eye-catching and restores brand's fashionista heritage. Concept works especially well in print, where elegant type, imagery feel right at home alongside Prada ads in *Vanity Fair*. Volvo spot in which crumpled crash-test cars undent themselves, using Donovan's "Catch the Wind," adds warmth to safety message. Digital painting over live-action film cuts through clutter but detracts from testimonials in Schwab's "Talk to Chuck" campaign. Man-on-the-street frustrations are well integrated in print, Web, outdoor with iconic graphics, simple copy, "I'm a hundred-thousanddollaraire. Why am I paying commissions like a multimillionaire?" Cinema spot for Sirius shows nighttime constellation forming a penis that ejaculates shooting star: "Coming in January. Howard Stern." Visual is amusingly in step with Stern brand, pulled from cinemas in first month.

MANAGEMENT

C Agency lost its largest U.S. account, Intel, in March. Turmoil at parent Havas rolled downhill after corporate raider Vincent Bolloré led coup against CEO Alain de Pouzilhac in July. De Pouzilhac's removal left his handpicked Euro worldwide CEO Jim Heekin out in the cold; he left in August just as then Havas CEO Philippe Wahl elevated N.Y. chief David Jones, 39, to global CEO. Network's largest clients (Peugeot Citroen, Danone) dictated French-leaning power-sharing arrangement, in which Jones, considered a bridge between two continents, leads by Paris-based executive committee: exec co-chairs Mercedes Erra (brand strategy), Stephane Fouks (finance, communications), CCO Remi Babinet (creative). Jones assembled new U.S. team: Andrew Bennett, new post of chief strategy officer (named in January); group account directors Bret Sanford-Chung (Charles Schwab) and Ian Marlowe (Volvo); and ex-Berlin Cameron exec Avi Dan in global new-business role. Founder Ron Berger continued as CEO, CCO of N.Y., S.F.

REGIONAL HIGHLIGHTS

After \$200 million in lost billings and exec departures in mid-'04, Heekin-installed Chicago CEO Ron Bess started office on a come-back, adding \$50 million in new business from Barilla, Calphalon, Graco, Potbelly Sandwich Works and DirectBuy, among others.

GLOBAL HIGHLIGHTS

Havas soap opera played through July after TBWA's Jean-Marie Dru rejected Bolloré offer to lead holding company. But overseas network kept eye on the prize, winning LG in Europe, Russia; Danone CRM; Disneyland Europe; Lacoste in Paris; Bayer brand; more IBM in London; more Peugeot in Brussels; Nokia assignment in Amsterdam.

COMMENT

Jones kept network plugging along in tumultuous year, but must guard against being distracted by machinations at Paris HQ. He got new boss in March, as Wahl was replaced as CEO with Fernando Rodés Vila, 46.

C+

FALLON

NUMBERS

D+ Billings, revenue down 4% to \$634 million and \$95 million. Won KitchenAid (\$20 million), Vanguard Car Rental (Alamo, National brands, \$20 million), consolidated NYSE/Archipelago (\$20 million), projects for Old Milwaukee. November's \$140 million NBC Universal media win too late to help bottom line. Citi spending up 22% to \$120 million. Losses: EDS (\$4 million), New York accounts Virgin Mobile, MPA, Starbucks bottled beverages (combined \$35 million). Second-half losses, not yet fully affecting revenue, included \$80 million BMW national creative, \$50 million Dyson creative, \$30 million Lee Jeans. Seventh-best revenue-to-staff rank brings up grade.

CREATIVE

B+ Amid internal turmoil, agency manages to create engaging work. Cartoon-drawn walking legs and extra-tall man smoothly take United's animated brand effort into harder-working territory, selling Economy Plus legroom. Overworked drone who brings family to work to pose in office photos for Citi "Rewards" program is cute, but hapless nerd dumped in garbage truck for Simplicity card is generic, even with the Buster Bluth look-alike. Card benefits are explained better in "Land of Credit" board-game print, which shows users avoiding "Swamp of Surprises" to get to "credit-card nirvana." Calling TV dinner a "square meal" and linking to Old Milwaukee gives brand a nice retro feel. *Time* magazine's Times Square billboard allowing public to upload their own photos into "Person of the Year" covers (mixed in with real candidates like Bono) nicely links iconic issue to average Americans.

MANAGEMENT

C- After losing president/CCO David Lubars, CMO Mark Goldstein in 2004, chairman and founder Pat Fallon re-exerted control in '05. Year began promisingly, with arrival of Paul Silburn, 49, in February as new creative chief; KitchenAid win; shot at Sony's \$100 million U.S. account. Then the rough patch hit. BMW, Dyson reviewed in June, Lee in August. Wanting more responsibility (and clashing with Silburn), ecd Bruce Bildsten quit in October. Sony project ended in November. Missing out on Heineken Light (\$40 million), global Bacardi (\$160 million) didn't help, though media director Lisa Seward's NBC Universal coup in November boosted spirits. Silburn hired Wieden vet Roger Camp, CP+B's Mark Taylor to succeed Bildsten. Of the three, only Camp made it to January '06. Shop spun off brand-consulting unit, integrated interactive division into flagship, promoting Chris Wiggins to interactive cd. Overall, toughest period in agency's recent history, as flat revenue in '04 turned to losses in '05.

REGIONAL HIGHLIGHTS

In July, after 10 years, Pat Fallon decided New York, down to 35 staffers and seven clients, was a luxury neither he nor Publicis Groupe could afford. N.Y. president Anne Bologna, ecd Ari Merkin headed off on their own. HQ absorbed two N.Y. clients: Time Inc., Georgia-Pacific.

GLOBAL HIGHLIGHTS

While the U.S. struggled, the five overseas offices fared better. Tokyo picked up Cartier, added to Volkswagen business with Jetta, Passat. London added \$20 million London Bacardi in March (lost in December consolidation). São Paulo cd Eugenio Mohallem promoted to president, as partners Marcelo Aragao and Roberta di Pace left.

COMMENTS

After struggles of last year, 2006 is hugely important, as Fallon, 60, and new vice chairman (and former president) Bill Westbrook, 61, search for founder's successor. It is not an overstatement to say the health of the agency is at stake.

C

FOOTE CONE & BELDING

NUMBERS

C- Billings, revenue up 3% to \$4.22 billion and \$404 million. Won Motorola global interactive (\$150 million), Van Kampen Funds and Snapfish (\$10 million each), Eldos (\$5 million); added business from Diet Coke, Kraft. Lost Hilton, Embassy Suites, Garden Inn (\$35 million); Kraft Life Savers, Gummi Savers, Creme Savers (\$15 million).

CREATIVE

C+ CCO Jonathan Harries, 53, guided some improvement. Windex spot evokes chuckles despite grating voiceovers: Two clowning crows trick homeowner into crashing into clean glass door. Taco Bell spot in which family enjoys meal together until dad suggests son get a job is on target with teen market, but dialogue and acting are clunky, overdone. Diet Coke's upbeat "Light It Up" is eye-catching with beach scene, but without bubble effect would be generic lifestyle spot. ONDCP's "Above the Influence" effort effectively urges teens to fight peer pressure, with online games and spot with boy dressed by friends. Coors Light "love train" charging through stadium tries too hard. Killian's Irish Red print, with copy playing off name ("savor-red," "prefer-red") and black background, is strikingly reminiscent of Absolut.

MANAGEMENT

C A year of transition as worldwide chairman, CEO Brendan Ryan, after nine years at the helm, handed reins to former Grey N.A. CEO Steve Blamer, 49. He arrived in June and began making management, structural changes in U.S. and abroad to give offices greater autonomy, accountability, and to cut costs during tepid new business year. Focused on developing consistent go-to-market strategy for all offices dubbed "Full Contact," which stresses integrated communications approach. Ex-Grey COO Steve Centrillo parachuted in from parent IPG in September as N.Y. CEO, replacing N.Y. president Lynne Seid, who left days shy of Blamer's arrival. Centrillo move spurred lawsuit alleging breach of contract from WPP (settled out of court in non-monetary agreement). Ex-Grey new-business leader Chris Shumaker announced intention to follow Blamer in August, but fulfilled contractual obligations and arrived in January '06. Ryan's role curtailed to special projects consultant as network now marches to Blamer's drum.

REGIONAL HIGHLIGHTS

Blamer restructured West Coast operations in September so Irvine, Calif., office reports to FCB West CEO Dominic Whittles in San Francisco, spurring exit of FCB SoCal ecd Erich Funke and president Jon Tracosas. Chicago, Seattle added new-business leaders Sandy Kolkey and Stephanie Peirola, respectively.

GLOBAL HIGHLIGHTS

With few global clients, four-region structure became superfluous. By November, Blamer reorganized global operations into one international division, resulting in exits of Scott Hollingsworth, Ben Barnes, who led underperforming Europe, Asia-Pacific, respectively. Latin America head Rafael DeGuzman bumped up to CEO FCB International, in charge of all 165 overseas offices. Accounts divided among 12 countries where FCB considers itself well-positioned (Brazil, India, China, U.K., Germany, Austria, Puerto Rico, Mexico, Malaysia, South Africa, Spain, France). All told, 300 staffers let go. In August, Blamer hired Nigel Jones to replace John Banks as CEO, U.K. Group—which saw years of client defections (Weetabix, Waitrose) and poor pitch record—from Claydon Heely Jones Mason, which he helped found.

COMMENTS

Blamer claims the agency is relaunched with a new, stronger focus and integrated offering, but the proof of improvement will be in this year's pudding.

C

GSD&M

NUMBERS

D+ Billings up 6% to \$1.64 billion; revenue up 2% to \$112 million. Won Norwegian Cruise Lines media and creative (\$20 million) and Sun Chips (\$1 million). Lost Dial (\$35 million), Macaroni Grill (\$1 million) and On the Border (\$1 million). Southwest Airlines led organic growth; spending rose 16% to \$180 million. MasterCard (media) and Wal-Mart made slight spending cuts. November win of BMW media and creative (\$160 million) too late to affect revenue.

CREATIVE

B Wal-Mart print represents a sea change in the retailer's fashion image with the theme "Lifestyle. Own yours," reflected in a stylish eight-page *Vogue* insert using real customers as models. Integrated "Ding!" campaign for Southwest Airlines memorably transfers trademark airplane cabin "ding" used in Southwest TV to online, notifying users of special offers by the in-flight ding on their PCs. Comical TV spots emphasize the consumer excitement of hearing the ding with client's tradition of physical comedy. One spot shows a man leaping over cubicles when he hears the ding while strolling in the office. In contrast, the airline's 8-year-old "Want to get away?" campaign seems threadbare; a home video camera accessed through a woman's computer reveals more to her work associates than she anticipated, but the gag falls flat. AARP spot is devastatingly satirical: A woman's clogged drain leads a plumber to declare the entire house needs to be wrecked; the political parallel is President Bush's proposed revamp of Social Security. Cumbersome plot in United Healthcare spot showing woman putting on makeup while driving car and disrupting traffic complicates "common sense" message. Cinematic Kohler spot dares to play a deathbed scene for laughs as an elderly woman, recounting her full life in subtitled Italian, realizes she's missed out on enjoying a Kohler bath and utters her last word: "Damn!"

MANAGEMENT

C+ President and co-founder Roy Spence's "best in class" initiative, launched in January to link the shop with experts who bring consumer insight and smarts, paid off. Social theorist Richard Florida, author of *The Rise of the Creative Class*, made sure the shop reached BMW's target audience during the pitch. Behaviorists William Strauss and Neil Howe, authors of *The Fourth Turning*, counseled the agency on the "millennial generation" during strategy sessions for existing clients like Chili's and U.S. Air Force. In addition to sharing work with other Omnicom agencies, GSD&M collaborated with independent Rodgers Townsend in St. Louis on the SBC/AT&T account. Almost 40 staffers were added to service new and existing clients. Key hires included Glenn Higgins, formerly SBC's director of media services, in the new position of svp/director of media integration, and Greg Lane, director of production at DDB Chicago, in the new position of svp/director of production. Maury Giles, formerly vp for Harris Interactive, filled the new post of director of analytic solutions. Svp Klaudia Flanigin, who headed the Wal-Mart account, left in October for Publicis in Dallas. Her position was filled by svps Elizabeth Freeman and Jennifer Warren.

COMMENTS

No time to revel in wins. After near misses with Subaru and Kia in '04, coveted car account was finally attained. Shop now in overdrive on BMW campaign, which is set to launch next month. Ongoing AT&T campaign, which launched on New Year's Eve and is the largest telecommunications effort in history, will also undoubtedly command much attention.

C+

GOODBY, SILVERSTEIN & PARTNERS

NUMBERS

Billings, revenue up 6% to \$995 million, \$85 million. Won Comcast (\$90 million), Motorola assignments (\$40 million), North American Coffee Partnership (Starbucks Frappuccino, DoubleShot, \$20 million). Lost eBay (\$80 million), Subway (\$50 million portion; MMB ended up with lion's share). Resigned Discover Card (\$80 million). Increased spending from Netflix, Adobe Systems (which acquired Macromedia), more assignments from Elizabeth Arden. Discover resignation in November will affect revenue in '06.

CREATIVE

First Comcast effort impressed with celebratory take on digital age, branding company as the pre-eminent destination for cable and online entertainment with the exuberant line, "It's Comcastic!" The spot "Pyramid" cleverly doctors footage from classic game show to humorously spotlight services and competitive advantages. ("Warts? Satellite dishes?" hints Loretta Swit in rerecorded audio. "Things that should be removed.") Oddball Emerald Nuts ads get stranger as word play gets more elaborate, using full brand name: "Eccentric Matadors Exercising Religiously And Littering Do Not Use The Steamroller." Doesn't make much sense, but visuals are uniquely memorable. Ace Hardware parody of reality-show home-improvement expert, Carl from Shortcutz, is appropriately exaggerated, steers viewer to Ace's experts. Bud Light beer-tree spot is a dream come true for beer-loving guys. HP continues its picture-perfect fun with frames. Elegant Banana Republic print hints at the story behind the story with voyeuristic glimpses into people's lives ("She always secretly liked his brother Edward," copy reads; photo shows woman stealing a glance off to side of frame), lending mystery and intrigue to the brand. Saturn installation for Sky model at Wired NextFest offered compelling interactive experience, with computer touch screens controlling projected images of car's interior. "Got milk?" performance-enhancer ads masterfully propel integrated campaign into media spotlight with parody of baseball steroid scandal.

MANAGEMENT

In preparation for retirement of president Colin Probert, 59, at the end of '06, agency hired former BBH London managing director Derek Robson in October as co-managing partner, sharing role with director of account services Robert Riccardi. With agency partners, Robson has been using planning background to help agency assess not only research process but all internal processes. Shop promoted John Thorpe to head of planning, a role vacant since the '04 departure of Chris Chalk; Will McGuinness to cd, in charge of interactive. Creative-minded agency also beefed up creative resources, adding teams that worked on '05 Super Bowl hits such as Ameriquest's "Don't judge too quickly" (Pat McKay, Feh Tarty) and Career-BUILDER.com's "Monkeys" (Pat Hanna, Ted Jenkins). New-business performance was lackluster. Went 2-for-6 in pitches. Also misjudged \$335 million Visa opportunity in Omnicom shootout, lost six-year client Discover Card in the process. Despite creative accolades on eBay, lost the business when Bill Cobb, who moved agency's Pizza Hut account to BBDO in 1997, returned to North American eBay operations as president and again shifted his account to BBDO.

COMMENTS

This year will bring significant change in the way the agency defines its departmental duties, with the goal to reshape the 23-year-old shop as a creative content provider rather than a premiere ad maker. Challenges include delivering on high expectations for Motorola and Doritos wins; winning new business to replace showcase account eBay; producing breakout work for Saturn; and holding on to HP as company reconfigures its marketing strategies.

B

GREY

NUMBERS

Billings and revenue up 6% to \$3.9 billion and \$575 million. Won P&G's Max Factor (\$35 million), Manpower (\$35 million), Lands' End (\$30 million), Symantec (\$20 million), Amerifit's Estroven (\$10 million), Mervyn's (\$10 million), Beaver Creek Resort (\$5 million). Organic growth from Nokia, BellSouth, Diageo. Lost Panasonic (\$60 million), ConAgra (\$25 million), Pinnacle (\$5 million), Sun Microsystems (\$5 million). Second-best revenue-to-staff ratio boosts grade.

CREATIVE

N.A. chief creative Tim Mellors leads improvements. For sheer hilarity, DQ spot is best: People use fake arm to do their work because they need two hands to eat big burger. Kmart spot sweetly depicts tentative first-date moments in front of teen girl's house. Quirky casting livens Nokia testimonial from newly single woman extolling phone's delete button. Tanqueray's Mr. Jenkins update, Tony Sinclair, nicely evolves from foppish caricature to campy fabster. Concept translates well to print and Web with sweepstakes and game that elicit drink recipes. Panasonic plasma TV spot lures with v.o. asking, "What is the color of ...?" while picturesque scenes provide the answer, most memorably of red-dress-clad "mourner" at funeral. Downy's "It's a beautiful feeling" print is uninspired with pale flowers looming over product. American Egg Board ads are more interesting with close-ups of egg as body part: pregnant woman's abdomen ("baby food"), shoulder ("muscle food").

MANAGEMENT

Worldwide CEO Ed Meyer got a boss for first time in 35 years in WPP's Martin Sorrell, who in March 2005 closed on his \$1.5 billion acquisition of Grey Global Group. Three months earlier, Meyer's handpicked heir apparent, Steve Blamer, bolted from shop for longtime suitor Foote Cone & Belding after succession became murky under Sorrell. Defections of COO Steve Centrillo, new-business head Chris Shumaker followed in summer. In September, Meyer tapped Jim Heekin, 56, worldwide CEO of Euro RSCG, to succeed him. Heekin kept Blamer pal Mellors as Grey N.A. chief creative and set about dismantling nine-unit "village" system, ostensibly to enable Grey to pitch global accounts. In December, Heekin reached to alma mater McCann Erickson for top planners Nat Puccio, Suresh Nair. Meyer remains chairman through 2006.

REGIONAL HIGHLIGHTS

Grey Atlanta president Marc Goldman led shop to local wins: City of Atlanta, Citigroup Primerica, Cost Plus World Market and Cousins Properties (\$20 million combined). John Crosson's retirement from presidency of L.A. office in May left agency in limbo for rest of year—leading to West Coast restructuring in '06 in which L.A. ecd Bob Merlotti quit and all now report to Betsy Sperry at Grey San Francisco. Grey L.A. lost City National Bank (\$3 million), leaving it with BMW western region, California energy conservation and Roman Meal.

GLOBAL HIGHLIGHTS

Grey EMEA CEO Carolyn Carter's most significant hire was Tamara Ingram in May to new position, CEO of Grey U.K., running overseas P&G business. (Ingram was CEO of WPP's Added Value market research unit.) Region awarded Euro Effies Agency of the Year honor.

COMMENTS

Look for 79-year-old Meyer to finally retire as CEO of Grey Global Group with December expiration of WPP contract, leaving operating companies (G2, Grey Interactive, Grey Direct) to report to Heekin. New CEO has much to accomplish—boost margins to satisfy exacting Sorrell—and little time, with his contract expiring at end of 2007.

B-

HILL, HOLLIDAY, CONNORS, COSMOPULOS

NUMBERS

Billings up 5% to \$1.05 billion; revenue up 4% to \$156 million. Key wins: Liberty Mutual (\$50 million), E-Loan media (\$25 million) and several smaller accounts—HIP Health Plan, Aer Lingus, Cleveland Clinic, the USTA—worth \$20 million combined. Only major loss was Marshalls creative assignment (\$35 million), though shop retains media. Dunkin' Donuts increased spending 80% to \$125 million, Tyco 15% to \$75 million. CVS cut spending 30% to \$60 million, John Hancock 20% to \$12 million.

CREATIVE

Some improvement as ex-McCann S.F. exec Kevin Moehlenkamp settled in for first full year as ecd. Visual humor scores in Dunkin' Donuts "Bribe" spot starring Johnny Damon, then known for his unruly caveman hair, paying off a clubhouse gofer with Dunkin' Coolattas to keep his dirty little secret—he wears a wig. Massachusetts State Lottery "You have to play" ads rely on silly visuals but drive home point that winners abound (in one, they wear robotic arms so they can give plenty of high-fives). Unappealing John Hancock repositioning reduces families to balance sheets and leans on the usual big-business financial imagery (executive suites, putting greens). Print for auto-theft recovery company LoJack avoids car imagery (a tactic Hill, Holliday employed 15 years ago to introduce Nissan Infiniti), instead showing items people often lose, like luggage and socks, in scenic surroundings, and the line, "If only everything came with LoJack." USTA print shows restraint, using tastefully lit public tennis courts and tagline, "It's your game."

MANAGEMENT

Unsettled year in terms of management, as CEO Mike Sheehan dealt with plenty of departures and arrivals at the agency. Ann Billock, the Boston shop's first CMO, lasted just six months; ditto for chief development officer Greg Davis. CFO and COO Joe Norberg, a 20-year agency veteran, retired in December. Brian Whipple, evp/director of relationship marketing, assumed the COO mantle, with CFO responsibilities handed to former Avedis Zildjian exec Kevin Walsh. Brain-drain could be factor in failure to convert in pitches for Lipitor, Ameriprise, Sun Trust, Harris Direct, L.L. Bean—worth more than \$200 million combined.

REGIONAL HIGHLIGHTS

San Francisco office added E-Loan media as '05 began. N.Y. won HIP Health, Cleveland Clinic, USTA. Greenville, S.C., office, known as Erwin Penland, won \$5 million Firehouse Subs business as '05 began, delivered classy Rosa Parks memorial in November with black ribbons on front-row seats of 15 public buses.

COMMENTS

Turnover continued into '06, with N.Y. president and national new-business director Brian Carty splitting in January, Boston GM Kristi Argyilan jumping to Arnold in February. Revolving door is troublesome considering IPG shop's biggest problem of late: failure to win significant new business. And future doesn't look much more stable, as blustery chairman Jack Connors, a New England business legend and shop's guiding force for its entire 38-year existence, prepares to exit at end of '06. Can Sheehan and Boston president Karen Kaplan fill his shoes, or will they leave before trying?

C

JWT

NUMBERS

Billings up 2% to \$3.68 billion; revenue up 10% to \$587 million. Won Bristol-Myers Squibb/Merck drug Muraglitazar (\$50 million), global Texas Instruments (\$50 million in U.S.), JetBlue (\$25 million), L.L. Bean (\$20 million), HSBC Direct (\$20 million), Purell (\$15-20 million), Smirnoff interactive (\$10 million). Lost global Samsung (\$25-30 million in U.S.), Unilever's Vaseline (\$25 million) and Ragú (\$15 million), Symantec (\$20 million), Northwestern Mutual (\$20 million). First full year of revenue from HSBC (\$50 million in U.S.). October Samsung loss not fully felt.

CREATIVE

Halls TV spot impresses via colorful characters (big bad wolf, three pigs), amusing lines ("You got nothing!" one pig quips at the coughing wolf outside pig's house), memorable kicker (Halls opens wolf's windpipe, enabling him to "breathe big"). Fargo-like cop and unusual setting (lone stoplight in the middle of tundra) distinguish Ford Mustang spot in which cop discovers driver is stuck at green light because he's frozen, yet smiling, after riding with top down. Ford Trucks spot showing bulldozers crushing trunk and hood but not cab delivers safety message but leaves impression of damaged goods. Use of slow motion, gravelly male voice in Domino's spot cleverly creates NFL Films feel, but goofy writing ("Today is the day. And tomorrow will also be the day. So is the day after Tuesday") ruins effect.

MANAGEMENT

Reel improved under N.Y. CCO Ty Montague, and shop won 7 of 11 pitches. For help on operations, recruiting and client service, worldwide CEO Bob Jeffrey in April hired ex-Lowe N.Y. president Rob Quish as chief of staff. Five months later, Quish added duties of N.A. region president. Chicago president Barry Krause, 51, resigned in September; Quish filled post with Ros King, 45, global business director on Kraft. In August, agency expanded retail marketing capabilities by acquiring Ohio promotions shop Malone Advertising. In October, N.Y. filled director of strategic planning post with Publicis Seattle's Steve LeNeveu. He started in December, succeeding David Lamb, who became director of multinational clients in London.

REGIONAL HIGHLIGHTS

Detroit client Ford got new account chiefs after February exit of global business director, co-president Sean Neall. In May, Mullen group director George Rogers became co-president with oversight of Ford U.S., while Singapore senior executive management director Doug Malloy rose to international business director. L.A.'s October Symantec loss stripped office of last big account, triggering shift to entertainment marketing in '06. Atlanta executive management director Tony Accurso in November became president after death of chief Tony White, 59.

GLOBAL HIGHLIGHTS

October was rough as shop lost Unilever's Omo international duties and failed to win British Airways. London new-business drought triggered November installation of Toby Hoare, leader on global HSBC account, as executive chairman of U.K., Ireland, replacing U.K., Ireland CEO Simon Bolton. Jeffrey in January elevated Craig Davis, CCO for Europe, Africa, Middle East, to new post of CCO worldwide.

COMMENTS

Unilever relationship continues to erode, following January '06 loss of international oral care business to Lowe; frustrated WPP CEO Martin Sorrell is said to be seeking account leadership help. Ongoing \$600 million global Reckitt Benckiser review gives shop crack at big score.

B-

THE KAPLAN THALER GROUP

NUMBERS

B+ Billings up 69% to \$890 million; revenue up 38% to \$83 million. Won Revlon (\$125 million), Office Depot (\$85 million), Outback Steakhouse (\$80 million), Marshalls (\$35 million), Church & Dwight's Trojan and Alexa brands (\$15 million). No. 2 in revenue growth, but percentage gain comes off fourth-smallest base.

CREATIVE

C+ Agency smartly avoids camp in category that might otherwise invite it: male and female condoms from Trojan. Former spot is sober and appealing, shows heterosexual couple trading romantic glances and emphasizes product as protection against HIV; the latter uses mod-style animation but is more subtle about protection (copy reads, "Tell him what to wear"). Pfizer's Zolofit spot featuring Lorraine Bracco (*The Sopranos'* Dr. Melfi) giving a warm, apparently genuine testimonial about depression never mentions product; instead sends viewers to Depressionhelp.com Web site, which seems like a sincere attempt to help. Aflac's zany "Bride of Frankenstein" setup—duck and Melania Trump swap voices in lab experiment—is attention-grabbing, but message about benefits gets lost. Continental Airlines spot with Japanese execs in polite, extended bow opposite snoozing American exec is funny, but message about getting proper in-flight rest with this airline is unconvincing. Shop's slapstick approach does not serve well in Outback Steakhouse and Aussie hair gel spots. In former, man kneels on beach to propose to his girlfriend, but boomerang hits him in the head and he asks her to take him to Outback instead. After another boomerang clocks her, she agrees. In Aussie spot, a giant, pink kangaroo drops a bottle of the product during yoga class, and eagle-eyed instructor scoops it up. Print is strongest for Continental, where clever copy requires no visual: "Admit it, when you flew with them, you were thinking of us." Trojan print referring to mint-flavored condom as the "after after dinner mint" may be a bit carnal for comfort, but relays its protection message with precision. Dawn print ad, with detergent bottle looking like vacuum cleaner to "lift grease fast," seems lazy.

MANAGEMENT

A- After serving as general manager, CMO since 1997 launch of agency, Robin Koval was named its first-ever president in August by CEO, CCO Linda Kaplan Thaler. Together, they turned in another admirable financial performance (sixth straight year of double-digit revenue growth), while achieving 5-for-5 pitch ratio (fourth straight year of no losses) and raising agency's profile by landing more diverse, national accounts, besting a range of competitors: Deutsch, Goodby, Silverstein & Partners, Berlin Cameron United, Wieden + Kennedy. New business resulted in nearly 35% increase in staff from 105 to 160, as well as formation of executive board comprised of Kaplan Thaler, Koval, CFO Kevin Sweeney, creative services managing director Gerry Killeen, manager of broadcast services Lisa Bifulco, managing director of corporate communications Tricia Kenney. Pfizer group account director Nannette LaFond-Dufour departed in July for DDB, replaced by Tom Katzenmeyer, who was promoted from Pfizer director. Director Erin Johnson's July departure left void at fledgling KTG Buzz unit, but buzz marketing vet Myles Kleeger (from Alloy) named managing director in November; started in first week of '06.

COMMENTS

The 8-year-old Publicis shop posted its single biggest new-business year in '05 with an estimated \$340 million in new client billings and without faltering on large, existing accounts such as P&G, Pfizer, Continental and Aflac. It may not garner the creative accolades enjoyed by other national shops, but Kaplan Thaler Group is proving to be a competitor other shops are wise not to ignore.

B

LOWE

NUMBERS

D- Billings down 5% to \$1.46 billion; revenue down 10% to \$180 million, from restated \$200 million. Won assignments from Bristol-Myers Squibb (\$55 million), global Nokia Nseries (\$20 million in U.S.), A&P (\$5 million), Australian Wool Innovation project (\$5 million). Lost Macy's (\$80 million), Century 21 (\$30 million), Carfax (\$30 million), UPS media (\$10 million), Wisk (\$10 million), A&P.

CREATIVE

B- GMC spot depicting "professional grade" trucks on assembly line effectively delivers something-for-everyone message via v.o. and images of customized vehicles (family SUV, construction pickup, emergency vehicle). Spot blending spaghetti western standoff scene with Sergio Leone-esque ring tone cleverly connects Nokia with Tribeca Film Festival. Degree spots using dolls to depict "Mama's Boy," "Suck Up" types humorously skewer non-risk-takers, but what about thrill-seekers the deodorant seeks? Closing line ("For men who do take risks ...") seems like an afterthought. Perdue spot punch line (Jim Perdue reading Goldilocks story) elicits a chuckle, but mismatch of his voice to little girl is off-putting. Saab "Built From Jets" spot shows powerful brand, trumpets heritage with race between car and overhead planes.

MANAGEMENT

D Once again, shop failed to grow, recording second straight revenue loss. Worldwide CEO Tony Wright installed new leaders in N.Y. and London, recast London CEO Matthew Bull as worldwide CCO and sketched vision for agency: a creatively centered operation with "Light-houses" in 11 global markets. In April, Wright replaced U.S. chairman, CCO Gary Goldsmith with Mark Wnek, former CCO and co-chairman at Euro RSCG Wnek Gosper Partners, London. N.Y. president Susan Cantor leveraged ties to GMC to get promoted to office CEO but was out by February '06. Creative exits included Goldsmith's No. 2, ecd Dean Hacohen, who left in July. To fill the slot, Wnek in September hired BBH cd team Peter Rosch and John Hobbs and DM9DDB interactive cd Fernanda Romano. Shop's media offering became planning only, after June loss of UPS buying business, which director of media services Elissa Goldman followed to The Martin Agency. Media, account planning pulled closer under director of media planning Serge Del Grosso, former Sony media director who arrived in July, and director of planning and recruiting Greg Andersen, who rose from director of connection planning to fill vacancy in July. Client defections took toll: Shop laid off 5% of staff in November.

GLOBAL HIGHLIGHTS

In October, agency lost strategic, creative lead on Unilever's Omo but kept creative duties in Asia, Latin America, Africa, the Caribbean. In February, won part of the launch of new Nokia device with sister IPG shops but lost pitches for Brahma, Credit Suisse Group, Manpower, Adecco. January installation of ex-Grey London CEO Garry Lace as CEO of London triggered exits of managing director Mark Cadman and planning director Russ Lidstone. Lightning struck in December when ex-chairman Frank Lowe re-emerged from forced retirement to open shop with London's \$80 million Tesco account. London chairman Paul Weinberger, senior copywriter Sam Cartmell and senior art director Jason Lawes followed Tesco.

COMMENTS

IPG lost patience after another bad year, and in February '06 installed holding company evp Stephen Gatfield as CEO, reducing Wright's role to chairman, reporting to Gatfield. Last week, IPG recast shop as smaller creative resource focusing on eight key markets, expanding its offering beyond ads. Stabilization, growth remain critical to survival.

D+

THE MARTIN AGENCY

NUMBERS

B Billings up 53% to \$646 million; revenue up 14% to \$73 million. Won UPS national broadcast media buying (\$100 million), Delta Faucet (\$10 million), offline advertising for AOL.com (\$10 million) and CoStar Group (\$1 million). Also won project work for the CBS hit series *CSI* and the Newspaper Association of America. Spending by Geico up 50% to \$470 million (creative only), and Nascar up 40% to \$50 million. Late-year wins from Carfax (\$30 million in August), Miller Genuine Draft (\$20 million in August), U.S. portion of Credit Suisse (\$10 million in September), Genworth Financial (\$15 million in October) and For Eyes Optical (\$6 million in November) not yet realized. Resigned AXA Financial to accept Genworth work. No losses.

CREATIVE

B Deadpan dialogue and unusual imagery (show writer calmly describes his job while dragging around a nude dead body) make *CSI* spots funny and memorable. Long-running campaigns for Geico and UPS remain interesting. Sixth year of UPS "Race the Truck" series finally puts Nascar driver Dale Jarrett on the track testing a modified truck, and even puts the truck in an EA video game. Geico spot urging residents of Connecticut to buy insurance to prevent New Jersey from "overtaking us as the nation's wealthiest state" surprises with scrolling message over a peaceful scene of a horse-drawn sleigh moving slowly over snow. Miller Genuine Draft ad showing beer-bottle labels flying in a flock to illustrate that labels are less important than taste feels unimaginative. Overall, shop's print does heavy lifting with sparse imagery and copy. Most grabbing is *Survivor* ad with picture of a rat and a nutrition label. Ads for *The Onion* capture satirical brand personality with headline, "Crafted with love by Bangladeshi children."

MANAGEMENT

B Chairman John Adams and president, cd Mike Hughes enjoyed one of the best new-business years in shop's 40-year history without a single loss. The agency pitched and won (11 of 18) against the likes of Young & Rubicam, BBDO and DDB. The agency lost one of its long-time partners when vice chairman, gcd Kerry Feuerman left in May. Hughes and Adams appointed two more partners for first time in four years. Ascension of Beth Rilee-Kelley, director of creative resources, and Matt Williams, group planning director, brought total number of partners to 11.

REGIONAL HIGHLIGHTS

Martin's Ingenuity Media Group benefited from UPS' decision to consolidate media buying at agency, with the New York unit taking on national broadcast duties. Martin added 11 people to handle the work, bringing total number to 20. Office also began providing media buying services to other agencies, including Mono in Minneapolis and BooneOakley in Charlotte, N.C. MVP Group, the sports marketing division that opened offices in Arizona last year (six staffers in Tucson and two in Phoenix), spearheaded an LPGA tour even in Los Angeles last summer. Parent IPG placed Sedgwick Rd. in Seattle and Berenter Greenhouse & Webster in New York under Martin's wings, with Martin consulting with the two agencies on their operations and management to boost profitability. The shops' bottom lines will be combined this year.

COMMENTS

Agency strong out of the gate in '06, reaching final round in reviews for Discover Financial (\$80 million) and B.F. Goodrich (\$15-20 million). Can they keep the streak alive?

B

McCANN ERICKSON

NUMBERS

B Billings, revenue up 11% to \$4.55 billion and \$488 million. Won Intel (\$300 million), U.S. Army (\$200 million a year for five years), Pfizer's Aricept (\$55 million), Matrixx's Zicam (\$20 million), Mike's Hard Lemonade (\$15 million). Lost Lowe's (\$315 million), AMD (\$10 million). December arrival of Army yet to affect revenue.

CREATIVE

B A slight slip. High points include Verizon Wireless spot in which Shaquille O'Neal laments "Shaqlessness," something VCast can address. Appealing MasterCard spot with Peyton Manning as star-struck fan of ordinary people turns tables without disingenuous fawning. Double-dutch schoolyard spot for Microsoft Xbox has stunning choreography, but connection to video games is vague. Intel illustrates instant entertainment delivery in compelling spot that puts celebrity performers from Seal to Lucy Liu in fan's laps. GM brand spot featuring OnStar is maudlin and manipulative, with kids describing their crash experiences. MasterCard print holds up well, showing expensive golfing clothes discarded near pond ("Your lucky ball. Priceless"). Microsoft Office ad with dinosaur at airport declaring "out of the loop" era over, itself seems dated. Wendy's ad for spicy chicken sandwich showing empty booth and fire extinguisher on wall is unappetizing. Levi's viral film with GI Joe dolls, opera music tells engaging story about modern guys' choices, from coffee to beer to body hair.

MANAGEMENT

B CEO John Dooner rejiggered leadership with minimal disruption, posting third straight year of double-digit revenue growth. Regional director Eric Keshin, 47, became Worldgroup COO in September to make room for return of Brett Gosper, 46, from TBWA as president of McCann Erickson U.S. Gosper was embraced by troops and key clients L'Oréal, J&J. Matt Ross joined in February from Ogilvy to run Microsoft, as Michael McLaren moved to Intel account. McLaren, London-based Kevin Allen took stewardship of global accounts for U.S., Europe, respectively. Rich O'Leary returned in May from IPG's FutureBrand to run MasterCard, as Peter McGuinness took Unilever. Carol Smith moved from L'Oréal to J&J; Grey's Robert Montagnese succeeded her in November. Global new-business leader Margie Altschuler joined parent IPG in December, as Matt Weiss, 40, was promoted month before to chief growth officer of Worldgroup. In December, longtime planners Nat Puccio, Suresh Nair jumped ship to join Jim Heekin at Grey. In first full year as ecd of N.Y., Joyce King Thomas, 49, was key in Army, Intel wins, kept MasterCard strong, guided Levi's viral. Her major hires were from Ogilvy: Bill Oberlander in January, Tom Bagot in March, both for Intel.

REGIONAL HIGHLIGHTS

Under Garry Neal, Detroit teamed with sibling Campbell-Ewald in September to form Brandcom to give broader global service to GM. Matt Ross joined S.F. as president in February from Ogilvy to handle growing Microsoft biz. S.F. launched Xbox 360 console in December.

GLOBAL HIGHLIGHTS

Two regional heads retired: David Warden, 58, of Europe, Middle East, Africa; and Jens Olesen, 63, of Latin America/Caribbean. Former succeeded by deputy Rupert Howell, 49; latter by deputy Luca Lindner, 45. Giuseppe Usuelli, 58, of McCann Milan became EMEA chairman.

COMMENTS

It's been said that as McCann goes, so goes the holding company. Yet McCann Worldgroup seems insulated against the ongoing woes of its dysfunctional parent, no matter IPG's fate.

B

MERKLEY + PARTNERS

NUMBERS

D+ Billings down 3% to \$703 million; revenue down 6% to \$69 million. Won E-Loan (\$30 million), Tic Tac (\$15 million) and Cold-Eeze (\$10 million). Added collateral duties on Mercedes-Benz (\$30 million). Lost Lipitor (\$60-70 million), SBC Communications (\$30-40 million). Late '04 Novartis loss (\$80 million) affected '05 revenue. Strong revenue-to-staff ranking bumps up grade.

CREATIVE

B TV spot featuring construction crew turns ogling cliché on its head when hard hats let women pass without comment, but 40-something guy carrying Arby's sandwich elicits hoots and hollers. Overanxious game-show contestant who prematurely answers questions with Reuben sandwich ingredients humorously conveys "I'm thinking Arby's" tagline. Mercedes spot depicting engineers Daimler and Benz riding a buggy on cobblestone European streets entertains via cinematic details (a morning mist, clackety-clack of wheels on stones) but doesn't say much about new line of R-Class Sports Tourers that they come upon. Operatic, slow-motion replays of laptop accidents and spills (to the tune of "Swan Lake") in Panasonic spot nicely contrast with heavy-duty Toughbook model in final shot. Small-spaced newspaper ads touting Mercedes attributes connect through simple, stark images, such as shiny silver brake rotor. Sight gag of woman juggling Tic Tacs with her tongue to the amusement of guy in elevator goes nowhere fast. Arby's integrated effort—ads, signs, packaging, uniforms, etc.—gives brand a modern look; breadth of work is impressive.

MANAGEMENT

C- Modest wins were not enough to offset the cost of hiring 20 new people to form speciality unit to create collateral (dealer point-of-purchase, brochures) for cornerstone Mercedes client. In January, CEO Alex Gellert opened the division to take on the business from fellow Omnicom shop The Designory. In May, shop combined interactive and design units into a single group called Merkley id, which creates packaging (for Arby's), sales kits (*The New York Post*) and Web sites (Pfizer's Lipitor, for which it retained interactive duties). Shop pursued Goodyear, Liberty Mutual, Dyson accounts, meeting with each client, but failed to reach finals each time. In November, Gellert sought advice on how to market the 12-year-old shop, tapping former Scali, McCabe, Sloves evp Keith Green as part-time consultant. Lipitor loss triggered a dozen job cuts in December, which reduced headcount by 5% to 270. Vacancy created by December '04 exit of CFO Mike Byrne was filled in March by two insiders: assistant controller Prentice Kielty, who rose to controller, and finance manager Roger Morales, who became finance director.

COMMENTS

Mixed start to 2006: Shop wins AXA Equitable (\$10-12 million) in February, but last month loses pitches for \$60 million Panasonic and \$50-60 million EarthLink. Agency still awaits decision in \$25-30 million Shire review for new attention-deficit drug. New-business team hustling to fill estimated \$6 million revenue hole created by Lipitor loss. New year also brings a new vp of marketing at Mercedes: former Nissan North American gm Mark McNabb, who in February filled vacancy left by the August '05 exit of Michelle Cervantez. Agency will need to nurture relationship with third new marketing chief at Mercedes in five years.

C

MULLEN

NUMBERS

B+ Billings rose 25% to \$970 million; revenue rose 24% to \$145 million. Wins included PolyMedica's Liberty Medical (\$80 million), GameTap and Sprint spinoff Embarq (\$50 million each), the Magazine Publishers of America (\$40 million over three years), H&R Block online (\$10 million), Massachusetts Tourism and TripAdvisors (\$5 million each), 3Com (\$2 million), MasterCraft (\$1 million). Clients LendingTree and XM Satellite increased spending 25% and 20%, respectively, to \$80 million and \$50 million. Losses: Voom (\$40 million), HoneyBaked Hams (\$10 million), Ben Hogan (\$7 million), RealEstate.com (\$5 million). No. 3 in revenue growth, but percentage gain comes off relatively small base.

CREATIVE

B+ XM "Lost" spot starring a host of celebrities—Snoop Dogg roams around studio looking for his missing bling, swiped by David Bowie—entertains as it informs consumers of the client's wide-ranging programming. GameTap spot about a Mexican puppet show that introduces a Pac-Man game to the joyful delight of local kids cinematically brings to life "Expand your playground" message. "World's Weakest Man Competition" Stanley spot—where feeble men compete for the title and one nerd is thwarted by the ease of use of the Stanley stapler—humorously underscores product distinction. Department of Defense joint-armed-forces recruitment "Your Turn" ad rationally invites parents to prepare for a conversation about joining the military, presenting the child's argument from the point of view of the parent. Integrated GameTap print uses short, direct copy lines ("A new world of video games is coming"), arresting visuals (such as a huge game-sphere rolling in from the sea in one ad) and rich online component to seamlessly introduce Turner Broadcasting's broadband gaming site.

MANAGEMENT

B+ Kudos to CEO Joe Grimaldi, CMO Melissa Lea and CCO Edward Boches for turning in one of IPG shop's best new-business performances in recent memory (9-for-13 pitch ratio), improving the creative standard for clients new and old. Management also took a stab at better distinguishing this low-profile shop from its competition by rebranding shop's media offering, mediaHub, to emphasize that agency offers buying and planning in-house; the unit contributed to Embarq and H&R Block online wins. Agency also launched sports and entertainment marketing group under former Boston Celtics marketing vp Jon Hickey; the group is already working with clients like GM Cardmember Services and Progress Energy on partnerships with Nascar, college hoops, the NHL and Major League Baseball.

REGIONAL HIGHLIGHTS

Winston-Salem, N.C., office shared Embarq win with Wenham, Mass., headquarters. Karen Reese joined Winston-Salem as business development director. Pittsburgh outpost rebranded Mullen/MD to reflect health-care acumen. Otherwise, no major wins or losses in regions.

COMMENTS

Coming off one of its best years, Mullen looks to win new business by establishing wider reputation for integrated campaigns, services. First big opportunity under way at press time, with agency a finalist for \$100 million national H&R Block account.

B+

OGILVY & MATHER

NUMBERS

B Billings up 11% to \$2.2 billion; revenue up 15% to \$345 million. Won global Lenovo (\$100 million U.S.), TD Waterhouse (\$100 million), global Morgan Stanley (\$80 million U.S.), Quiznos (\$80 million), Merck corporate image (\$40 million), Wyeth multibrand campaign (\$35 million), Pfizer/Boehringer Ingelheim's Spiriva (\$25 million), Boehringer Ingelheim's Mirapex (\$25 million), Ragú (\$15 million), Fortunoff (\$10 million). Lost Sears (\$100 million), American Express Financial Advisors (\$55 million). Late-year losses Motorola (\$60 million), Sprite (\$45 million), Hershey's Reese's, Kisses (\$40 million) yet to affect revenue. Low revenue-to-staff rank brings down grade.

CREATIVE

B+ In IBM spot, potentially dry scenario with inventor and help desk comes to life through quick exchange, quirkiness of inventor, who looks 70 and speaks with slight whistle. Kodak spot with museum guide showing kids female portraits takes poignant turn when they are told the women all recovered from something serious, implying "cancer survivors." Integrated "Real Beauty" campaign for Dove (print, Web, outdoor, PR) shatters conventions, embracing full-bodied women, making brand seem down-to-earth. Voiceovers about twists and turns in a woman's life ("By 29, I was in Neverland") builds intrigue in AmEx spot before the reveal—it's Kate Winslet, and she was talking about her acting roles. IBM print with striking aerial image of Stonehenge surrounded by men and women pulls reader into copy about history of mankind, connects smoothly with "World's help desk" theme. Time Warner spot with guy fixing satellite dish on roof at night, terrifying woman next door, who thinks he's a stalker, skewers competition but says little about TW.

MANAGEMENT

B North America chairman, CEO Tro Piliguian relinquished CEO role in July; agency showed commitment to integration by naming Ogilvy N.Y. president Bill Gray, 53, and OgilvyOne N.A. president Carla Hendra, 48, to succeed him. In December, Piliguian took new post of WPP COO, ending 17-year run at Ogilvy. In August, shop established single P&L center for all disciplines, U.S. offices. In October, Gray and Hendra named OgilvyInteractive N.A. ecd Jan Leth third CCO of N.Y., joining David Apicella and Chris Wall. Shop hustled after May exit of AmEx Financial Advisors, landing Morgan Stanley five months later. ONDCP scandal lingered: In February, ex-Ogilvy execs Shona Seifert, Thomas Early convicted of overbilling former client.

REGIONAL HIGHLIGHTS

OgilvyOne opened in S.F. in February for Yahoo! Chicago had client spending cuts, trimmed 5% of staff (10 people) in May, even before losing Sears to Y&R in August. N.Y. added group planning directors: Merkley's Margot Grover (for consumer health-care brands, in May), ex-KB+P S.F. leader Nigel Carr (for Morgan Stanley, in November).

GLOBAL HIGHLIGHTS

In May, worldwide CEO Shelly Lazarus promoted South African group managing director Gary Leih to U.K. group chairman, succeeding Mike Walsh, who remained CEO of Europe, Africa, Middle East. Walsh retired at year's end; Paris president Daniel Sicouri succeeded him. Shop opened offices in Perth, Australia, Fuzhou and Xiamen, China, and struck affiliation with Prisma Advertising in Nepal.

COMMENTS

Consistency has flowed from veteran leadership, particularly Lazarus, now in her 10th year atop the network. But do high-profile losses like Sears and Motorola indicate there's a chink in the armor?

B

PUBLICIS USA

NUMBERS

B- Billings, revenue up 21% to \$2.78 billion and \$315 million. Won EchoStar Dish Network (\$120 million), GlaxoSmithKline's Cerva (\$100 million), Sanofi-Aventis' Allegra (\$70 million), General Mills (undisclosed products, \$35 million), Pernod Ricard (Beefeater, Malibu, Kahlua, Tia Maria) after it acquired Allied Domecq (\$20 million combined), Coca-Cola's Vault (\$15 million), BMW branding and Tumi (\$10 million each). Lost Zales (\$15 million). Worst revenue-to-staff ratio drags down grade.

CREATIVE

B Work is strongest for Heineken and T-Mobile. Heineken spot showing ordinary guy gaining entry in superhero club by turning sneaker into bottle of beer fitly taps into young-adult male imagination. Heineken bottles breaking, reverberating to men everywhere—boxing ring, operating room, intimate bedroom moment—and filmic melodrama of widespread sadness is well executed. T-Mobile "any-time minutes" spots are well cast, written, especially with girl's rapid delivery of banal tween chatter. NyQuil spot with chatty glam-gal recommending product to ailing roommate is amusing. RCA spot for flat screens showing soccer players whose faces are flattened against glass doesn't do much for the product. In print, Kahlua's sepiatoned image of young suburbanite walking leashed alligator in sterile neighborhood and "the everyday exotic" line is obvious choice. PowerBar ad of sleek runner on deserted road kills appetite for product with line, "Vultures can smell dead legs." Children's Pepto ad with cutesy critters is standard fare. Smart media choice for Denny's: breakfast menus printed on pillowcases distributed to college dorms.

MANAGEMENT

B After three years at shop, global chief creative David Droga, 37, left in December for new Publicis Groupe-backed venture. U.S. CEO Susan Gianinno searched for replacement domestically to gain U.S. network greater attention (international will have different creative leader). She and Droga spent '05 working to integrate shop's disciplines. Debbie Yount promoted from CEO of Publicis Dialog N.Y. and San Francisco to chief holistic officer of Publicis and CEO of Publicis Dialog USA in November. Chris Matyszczyk joined in May in new position of ecd of Publicis Dialog N.Y., from own company. Heineken worldwide account director Stan Fiorita left in October, replaced by John O'Brien in February '06. Ecds Duncan Marshall, Howard Wilmott left in July; posts were eliminated. Two group directors added: Paul Wolfe from Euro N.Y. in September to work on Amstel Light, UBS, BMW; Bertrand Garbassi from Chemistri in October to work on P&G health care.

REGIONAL HIGHLIGHTS

Ted Barton promoted in December to chairman, CEO, CCO of Publicis Dialog San Francisco, retained CCO Publicis Mid-America title. Bromley Communications in San Antonio named Hispanic Agency of the Year by 4A's for creative excellence in 2005.

GLOBAL HIGHLIGHTS

Vicks work won Cannes Gold Lion—first creative Gold Lion award for P&G. In May, network opened creative boutique named Marcel, in honor of Publicis founder Marcel Bleustein Blanchet, which Goodby, Silverstein & Partners' Fred (Raillard) & Farid (Mokart) manage.

COMMENTS

Gianinno records third year of respectable double-digit growth. But Droga's departure leaves creative leadership void. At press time, eight-month search continues for U.S. replacement.

B

PUBLICIS & HAL RINEY

NUMBERS

C- Billings down 9% to \$744 million; revenue up 3% to \$75 million. Won WellPoint (\$80 million), AAA of Northern California (\$20 million), Univision (\$5 million). In June, retained b-to-b portion of combined Sprint/Nextel (\$270 million, or about half its former Sprint duties), and split relaunch duties with TBWA\Chiat\Day down the middle. Consumer chores, the lion's share of the new business, went to TBWA\CD and will account for at least 70% of that business in '06.

CREATIVE

B TV spot for 24 Hour Fitness featuring Lance Armstrong inspiring everyone he passes to "keep fit" attempts lighthearted motivation, but visuals (shopper doing sit-ups while trying on shoes, mailman using basketball moves to get through a crowd) end up feeling overdone, and final shot of entire town taking off in a run feels like Nike ultra-light. Ads emphasizing everyday personal reasons for getting in shape, showing gym members wearing T-shirts with their own drivers for working out ("Make my ex jealous," "Beat my own record"), seem more authentic. Motivational sentiment was skillfully carried into entertainment space using gym's sponsorship of NBC's *The Biggest Loser*; last season, contestants were outfitted with personalized T-shirts revealing their reasons for exercising and starred in spots wearing them. HP spot touting all-in-one printer, showing woman making a family-tree mural out of her pictures, does a nice job of highlighting product features while keeping with company's "It's you" messaging. Sprint/Nextel b-to-b spot about "reinventing the yes man" for today's wireless age feels dated in its message, execution (visuals of office furniture outdoors). Sprint/Nextel print is functional, but just as uninspired.

MANAGEMENT

C In first full year at the helm, top managers Karen Francis (formerly of Ford) and co-creative directors Jon Soto and Jae Goodman (who were promoted to top creative role after Kirk Souder's late '04 departure) aimed to expand shop's resources beyond traditional. In part to better service HP, the shop expanded its direct capabilities by adding a metrics unit; it also hired former Ogilvy & Mather integration chief Jim Consolantis as worldwide creative director. Also brought on Jamie King, formerly an integrated development exec at Leo Burnett, who joined as director of brand integration in April. King, who also heads business development, bettered agency's conversion rate, winning all three late 2005 pitches, improving shop's ratio from 1-for-11 in '04 to 3-for-6. Agency spun off some 38 staffers into unbundled Starcom and Zenith units housed in agency space, giving Publicis & Hal Riney access to a media group with institutional knowledge of its accounts.

COMMENTS

New management recognizes shop's lingering identity crisis four years after founder Hal Riney's departure and stinging Saturn loss. Agency has been taking modest steps toward integration, but the impact of Sprint loss, plus marketing strategy changes at HP (its largest account), could be the factors that redefine the shop this year. Riney, which has experienced little to no growth in the past five years, must prove its health by building on its late-2005 new-business momentum.

C+

THE RICHARDS GROUP

NUMBERS

C+ Billings, revenue up 10% to \$1.1 billion and \$148 million. Won Zales Jewelers (\$55 million), CompUSA (\$55 million), Stainmaster (\$15 million), HoneyBaked Ham (\$10 million), Salvation Army (\$8 million) and Atlantis Resort (\$1 million). Lost Sawyer Riley Compton (\$4 million) and the Catfish Institute (\$1 million). Growth from existing clients—led by Hyundai, Red Lobster and Gander Mountain—increased billings by \$50 million.

CREATIVE

B- Fruit of the Loom spot with "Fruit Guys" crooning the emotional ballad "You Can't Overlove Your Underwear" is a hilarious parody of a country-music video (sample lyric: "Comfort ain't just found in teddy bears"). Animated spot for National Pork Board about love affair between pork chop and apricot is a comical, visually distinctive way to highlight "The other white meat." GoRVing spot offers scenic sentimentality, as boy gazes out RV window and imagines taking home some of the characters he sees on the road (an Amish buggy driver, a Civil War re-enactor). Hyundai spot is stylish, showing a ripple emanating across the landscape from traveling car, but overstates its "earth-shattering" price positioning. Home Depot "Superheroes" spots hit high emotional pitch for Olympic athletes but border on schmaltz. Zales spot keeps it simple, showing a man seeing signs to "ask her" everywhere he goes until he delivers a non-verbal proposal in the form of a diamond ring. Kiwi shoe polish print ("unpolished shoes are open fly of footwear") and Internet campaign (comprised of edgy animated films) creates bold brand for otherwise dull product.

MANAGEMENT

B- Founder Stan Richards and his bevy of principals continue to pitch with abandon. Richards brought in pal Liener Temerlin, the 78-year-old former chairman of what is now TM Advertising in Irving, Texas, to help recruit new clients and provide advice on existing accounts, which resulted in Zales joining the 30-year-old shop. Six new accounts came in; other longtime ones stayed put. Motel 6 marked 19 years with the shop, Home Depot celebrated its 13th anniversary and Chick-Fil-A has been loyal for a decade. Richards, 74, created special marketing communications units for gaming, sports and entertainment, magazine publishing and cause marketing in addition to beefing up the direct response staff. He upped the number of principals to 15, one more than 2004. Account supervisors Lance Miceli, who oversees the Florida Department of Citrus, Motel 6 and Red Roof Inn accounts, and Stephen Cannon, who supervises the Hyundai Dealer Group account, were anointed principals. There was only one departure from the typically stable management team: principal Rod Underhill, 55, who managed Motel 6, left to form his own consulting firm.

COMMENTS

You can't teach an old dog new tricks. Content with 50% new-business batting average during the past three years, Richards plans to continue its unconventional, nondiscriminatory pitch approach of about 20 per year (agency insists management structure keeps employees from being overtaxed). Shop is 1-for-2 so far in '06: In February, it won Patron Spirits (\$25 million) but failed to convert RealEstate.com (\$10 million), and the agency will learn its fate in B.F. Goodrich review (\$15-20 million) this month.

B-

SAATCHI & SAATCHI

NUMBERS

C- Billings up 6% to \$3.33 billion; revenue up 12% to \$241 million. Won \$65 million in Procter & Gamble line extensions (Crest, Scope, Tide, Olay), Ameriprise (\$55 million), Excedrin (\$50 million), \$35 million in General Mills line extensions (Big G cereals, Yoplait, Pillsbury divisions), BASF (\$15 million), global Alcoa Building & Construction Systems (\$6 million in U.S.), Bel Group's Laughing Cow and Baby Bel cheeses (\$5 million). Lost KitchenAid (\$20 million), P&G's Eukenuba (\$10 million). Revenue from late-'04 Novartis win kicked in. Fourth-worst revenue-to-staff ratio.

CREATIVE

B+ Unconventional approaches pay off. Wheaties spot artfully reinforces "Breakfast of champions" positioning via juxtaposition of Vin Scully's Kirk Gibson home-run call with softball hitter rounding bases. In effectively simple Theraflu spot, sniveling guy gets more ghoulish until product makes him human again. Unpolished Toyota Tacoma video stands out, but meteor explosion brings to mind a war scene. Tide to Go spot with drill sergeant scores points for product demo (recruit uses Tide pen to erase stain), but shouting is grating. Guitar music, kids passing around glow ball make exercise seem cool in Centers for Disease Control spot. Luvs spot gets attention via silence at circus but disappoints with flat punch line about mom making everyone wait. Much better is Pampers print with beautifully illustrated children's fables that read, "ppp," emphasizing that it's hard to concentrate with a wet diaper. Line drawings depicting point A to point B in integrated Air Tahiti Nui effort (print, outdoor, Web) feel classy and smart.

MANAGEMENT

B- CEO Kevin Roberts weathered the Saatchi 17 storm. Messy February divorce with ex-General Mills account chief Mike Burns, exodus of 17 Big G staffers created gaping hole. Roberts took Burns to court, which fanned flames but bought time to restaff \$550 million business. Key April hires: Y&R ecd Ann Hayden as worldwide cd on Big G; Joe Belmonte as senior group account director; and cd Pete Johnson from Cartoon Network. In first full year as partners, New York CEO Mary Baglivo, CCO Tony Granger brought energy and clarity, after years of leadership by committee. Sandy Thompson arrived from Hong Kong office in March as North American strategic planning director, a new post. Nice rebound from 3% revenue decline in '04.

REGIONAL HIGHLIGHTS

In Torrance, Calif., CCO Steve Rabosky left in October, president Rich Anderman in December. Rabosky succeeded by ecd Harvey Marco; Y&R Irvine's David Murphy became president in December. Both sought to win over mega-client Toyota, which in April installed a new vp of marketing, Jim Farley, from Scion division, succeeding Jim Lenz.

GLOBAL HIGHLIGHTS

Key wins included Sweden 3 in Stockholm (\$40 million), Unibanco Brazil in São Paulo (\$20 million), Toyota's Prius in Shanghai (\$10 million). London CEO Lee Daley started units dedicated to developing new products and tackling client problems (Industry@Saatchi, in May), creating branded entertainment (GUM, in September).

COMMENTS

Burns fight still risks upsetting Big G, but no brands have left N.Y., let alone shifted to OneSeven (IPG's Saatchi 17 haven), though London lost international duties on Cheerios to IPG's McCann in December. Publicis Groupe shop must continue to deliver results for P&G or face further erosion at hands of roster newcomers Wieden, BBDO. February '06 loss of global Old Spice creative to Wieden is a bad omen.

B-

TBWA\CHIAT\DAY

NUMBERS

A- Billings up 50% to \$2.7 billion; revenue up 16% to \$290 million. Won Visa (\$335 million), Sprint (\$300 million), Principal Financial (\$40 million), Sara Lee's Senseo and State Fair (\$40 million), Hoover (\$25 million), UCB Pharma's Keppra (\$25 million), American Century (\$20 million), Disney project (\$10 million), Leica (\$10 million), Panera (\$10 million). Significant spending boosts from many existing clients. Lost Aricept (\$10 million), A&E (\$5 million), lost Starz (\$5 million). Late-year Visa win yet to impact revenue.

CREATIVE

A Fanciful Adidas spot, directed by Spike Jonze, showing a young man slipping into a dream and his "intelligent" sneakers is artfully constructed, lends hip urban vibe to brand with special Karen O track. Apple's Eminem spot for iPod + iTunes got heat for copycat graphics, but adds energetic dimension to iconic campaign. Catchy retro folk tune "Take Me Driving in Your Car" warms spot with Nissan Z zipping through city, changing shape and color. Sprint spot with exec who wants to "stick it to the man" (maybe himself) is terrific bit with great casting. Skittles' "jibber-jabbering" sheepboys, Starburst's love-smitten lad who re-creates face of his crush with candy are perfect teen confections. Quirky B&W animations with rats listening to cheese, squirrels playing nuts, hairballs watching carpet are edgy gambits for PlayStation PSP. PSP's graffiti got attention, including backlash from artists. Print highlights include lithe Stella McCartney model behind beveled-glass effect for Adidas, Sprint elevator with six direction buttons.

MANAGEMENT

A- After strong '04, agency kept rolling. Worldwide CEO Jean-Marie Dru wooed by Havas, remained in fold. Playa del Rey, anchored by worldwide cco Lee Clow and office ecd Rob Schwartz, went 6-for-7 in pitches. Office president Robert LePlae, 45, ascended to CEO of TBWA\California in May, then to president of TBWA\North America in September. He took over N.Y., led creatively by ecd Gerry Graf, as Brett Gosper, 46, vacated presidency for McCann after a year. Carisa Bianchi, 46, succeeded LePlae as L.A. president. In December, Rob Smiley, former cd in S.F., became worldwide cd on Absolut, replacing Patrick O'Neill, who left in April to freelance. Vice chairman Tom Carroll continued global client stewardship role on Masterfoods, Adidas, Absolut. Hugh Duthie joined in February as N.Y. chief strategy officer to fill the void left by exit of David Hackworthy.

REGIONAL HIGHLIGHTS

N.Y. improved pitch record only slightly—3-for-11, up from 0-for-8 in '04—but managed job one: beating Riney to lead Sprint/Nextel in June after merger. Then introduced the new Sprint: "Yes, you can." S.F. went 3-for-4 in pitches, falling short only in Washington Mutual.

GLOBAL HIGHLIGHTS

After handling global healthy-eating initiative for McDonald's, shop sold through U.S. brand idea—work broke in '06. London chairman/cd Trevor Beattie left in May to start own shop, taking two execs with him. Network added \$30 million in Nissan billings in seven markets, \$15 million in Asia-Pacific Michelin billings. Bested Y&R in July to land global Danone corporate image (\$10 million).

COMMENTS

L.A. begins '06 with splashy Visa campaign. And with Sprint and Masterfoods, N.Y. has creative platform of its own. Shop keeps building global relationship with latter at expense of sister BBDO, adding Snickers in March '06.

A-

TM ADVERTISING

NUMBERS

Billings, revenue down 20% to \$400 million and \$48 million in first full year without \$165 million Subaru account lost in 2004. Shop returned to downward trend after uptick of 9% in 2004. Won Red Robin media (\$3 million), Sanijet (\$1 million), IgoUgo (\$1 million). Lost Texas Instruments (\$10 million). Project work for Discovery Channel (\$15 million) and increased spending among clients Exxon-Mobil (up 125% to \$40 million), American Airlines (up 8%, \$65 million) and Nationwide (up 22%, \$60 million) failed to offset losses.

CREATIVE

American Airlines' "We know why you fly" spots, using dreamy music and imaginative text, remain the best of reel. "Red Pumps" opens with 40-something man appraising a pair of women's shoes, which leads to an airport scene where viewer sees he is treating his wife to a surprise trip for dinner. TM raised the profile of Nationwide Insurance with humorous spots based on the theme "Life comes at you fast." However, "Ceiling Fan," which at first appears to advertise a hardware store, runs too long before delivering the punch line: The ceiling fan explodes and the spot is really for insurance. More effective is a regional Super Bowl spot with M.C. Hammer in which the performer sings his signature song "U Can't Touch This" in front of his mansion in one scene and sits forlorn on his porch with a foreclosure sign on the house in the next. Picturesque Texas tourism spot featuring inspiring landscapes to the accompaniment of a haunting country ballad makes you want to hit the road. Discovery Channel spot that pairs stone-faced Lance Armstrong and crocodile hunter Steve Irwin holding one of Armstrong's cycling teammates over his head, crocodile style, aims at belly laughs but produces not a snicker. Print work is strong, particularly ExxonMobil ad that shows MRI cross-section of a human brain with the headline: "More energy and less emissions? Only one kind of power can provide both." Fold-in ads for Nationwide are attention-getting and amusing. Produced clever interactive and integrated campaigns. For American Airlines, www.whyyoufly.com invites passengers to submit short films illustrating why they fly and other interactive features. Similarly, Nationwide's site invites customers to submit their best "Life comes at you fast" moments for possible use in a Times Square billboard.

MANAGEMENT

Disastrous year for struggling agency. Executive creative director Jim Ferguson, 52, stepped aside as chairman after two and a half years without winning a major pitch. Tom Hansen, 49, became president when he moved up from chief marketing officer in November after president David Lyon, 46, left after 14 years (to head marketing for the Lance Armstrong Foundation in Austin, Texas). Payroll was reduced by 35% (120 employees) to 230. James Hering, director of interactive marketing, was named head of new Integrated Communications Group, designed to streamline planning and innovation.

COMMENTS

As if 2005 weren't bad enough, 2006 opened with the loss of long-time client ExxonMobil (\$40 million). TM desperately needs a win to offset yearly departures of high-profile accounts. Do-or-die time for Hansen, who must turn the place around.

D

WIEDEN + KENNEDY

NUMBERS

Billings rose 20% to \$654 million; revenue up 21% to \$64 million. Added Coca-Cola Classic (\$200 million), remainder of Electronic Arts (adding \$80 million to two-title portfolio). Joined Procter & Gamble roster with Eukanuba global, Ivory in Canada (\$15 million). N.Y. won *New York* magazine (\$5 million), ESPN Interactive (\$1 million). Lost JetBlue media (\$20 million). No. 30 in revenue-to-staff ratio.

CREATIVE

Nike's "Kid Tiger" spot, combining old home-movie footage with British Open scenes, creating illusion of 6-year-old Woods winning at St. Andrews, is the pinnacle of agency's sentimental expressiveness, suggesting optimism of brand, nascent champion in us all. LeBron James playing four characters for Nike "quadruple-doubles" his personality. Miller High Life "girl on the moon" packs sweet nostalgia for lunch-pail drinker. "Stud Daddy" gets his simulated conquests pregnant, gives *Sims 2* (in print, broadcast) adult appeal. Tiger Woods EA game with knock-kneed putter uses live action well to show game's challenge is to match nerves with Tiger. ESPN SportsCenter spot with eating-contest champion wolfing down hot dogs grossly fascinating to male target. "Sip-stealing" customer guilt in Coke spot whets a thirst for more. Nike Women backside-pride in print ("My butt is big ... and those who might scorn it are invited to kiss it") is bold and attention-getting. B&W EA *Medal of Honor* campaign ("I was there") captures war game's realism. Common's "Be" music video/ad earns authenticity for Brand Jordan lifestyle collection. *New York* ads, changing daily, boost magazine's role in city's cultural dialogue.

MANAGEMENT

CCO Dan Wieden, COO Dave Luhr made biggest strides in '05—parlaying Powerade into Coke Classic win, picking up rest of EA—with key help from '04 hires: ecd John Jay and cd Steve Luker. Joining P&G roster also a big step in effort to diversify. In December, shop lured cd Mark Fenske back from academia to agency life at Wieden's Portland, Ore., HQ—a high-profile hire intended to keep iconic Nike work rolling while freeing cd Hal Curtis to lead Coke.

REGIONAL HIGHLIGHTS

Under managing director Buz Sawyer and co-ecds Todd Waterbury and Kevin Proudfoot, N.Y. successfully defended \$60 million ESPN media account in January. Kevin Porter joined as co-media director. Entire 15-person media planning department restaffed. In June, expanded interactive capability, won ESPN interactive duties. Did not defend \$20 million JetBlue media, which went into review in February.

GLOBAL HIGHLIGHTS

Arto Hampartsoumian left as managing director of Tokyo in August, succeeded by Trish Adams from Portland in December. London's "Grrr" spot for Honda won Grand Prix at Cannes. Opening of Wieden Shanghai led to win of Nike China from JWT in December. Added Asian duties on EA, instantly used Shanghai to launch EA's Pogo online gaming in China. Global EA win (\$170 million) notched in October after competition from N.Y., Madrid agencies. In August, Amsterdam, struggling to hold Heineken, was shored up with Tim O'Kennedy named managing director after David Miller left unexpectedly and cd Steve Turner headed to DDB London.

COMMENTS

No longer just Nike's fleet shop. Arrival on P&G roster has to make client's other agency partners nervous; Wieden has already nabbed \$80 million Old Spice creative from Saatchi in '06. It'll be interesting to see what Wieden does with a dog-food brand like Eukanuba.

A-

YOUNG & RUBICAM

NUMBERS

Billings up 2% to \$3.64 billion; revenue flat at \$338 million. Won Sears consolidation (gaining \$100 million), Hilton Hotels corporate image (\$40 million), SunTrust (\$35 million), global Bacardi (\$30 million in U.S.), AMD (\$25 million), AstraZeneca's Arimidex (\$20 million), Sunkist (\$10 million). Lost global Jaguar (\$75 million, U.S.), global Sony Electronics (\$100 million, U.S.). Second straight year of flat revenue.

CREATIVE

Dr Pepper spot in which guy buys tampons, cuddles with girlfriend but won't share soda hits male target, uses Meatloaf's "I Will Do Anything for Love" to drive storytelling. Land Rover spot mixes tribal drumbeats, deep breaths and quick cuts of painter, skier, jockey, driver to energetically convey "new rush" theme. Whimsical spot for Sears depicting people carrying giant gifts in winter snowfall delivers "think big" message without hard sell. Unusual sight of empty baby buggies moving in settings around the world in Chevron spot grabs attention, but kicker about how global population growth requires a "new kind of energy" fails to explain company's effort. Miller Lite spot starts strong, lampooning taste of light beers via amusing setup of softball player realizing falling rain is beer and trumpeting the news to everyone, but it nearly ends before delivering great-taste message.

MANAGEMENT

In April, worldwide CEO Ann Fudge confirmed worst-kept industry secret of WPP's search for her successor but clung to CEO of Y&R Brands role. In February, she promoted Gord McLean, worldwide account chief on Colgate, Chevron, to CEO for North America, a post brought back to tackle U.S. problems. Insider McLean boosted morale and set about filling revenue hole created by '04, '05 losses. "Catalyst team" Fudge assembled in '04 dissolved as chief insights officer John Gerzema rose to same role globally at Y&R Brands in March and creative content and channel strategist Jon Cropper and N.Y. ecd Matt Eastwood left in July and September. McLean in November hired ex-Lowe N.Y. chairman, CCO Gary Goldsmith as N.Y. CCO with regional and global duties. Global cd Michael Patti remained at HQ, working on Chevron, Telefonica. In April, McLean promoted S.F. svp of marketing and sales Sally Kennedy to new post of North American CMO. Shop converted 45% of pitches, up from 24% in '04.

REGIONAL HIGHLIGHTS

Irvine, Calif., office stumbled, losing Jaguar, Sony in Q1, and in November managing partner David Murphy left. In May, Anthony DiBiase, cd at Wunderman, became third ecd in two years, succeeding Michael Prieve, who took cd job at Goodby. Paul Venn, director of strategy on Ford in Detroit, rose to managing partner in October, succeeding Don Williams, who retired. S.F. became hub for Cadbury Schweppes, winning Sunkist, developing work for Dr Pepper, Diet Dr Pepper.

GLOBAL HIGHLIGHTS

Italy chairman Massimo Costa in April rose to chair, CEO for Europe, Middle East, Africa, after William Eccleshare took same role at BBDO. In September, region got ecd: ex-Lowe worldwide cd Adrian Holmes. In Australia, shop acquired 70% of George Patterson that WPP didn't own and merged operations. Wins included European duties on Volvic (\$40 million, London) and Universal Studios in Japan (\$25 million).

COMMENTS

McLean's client-service focus signals back-to-basics movement, after Lean Six Sigma exercises. WPP's Martin Sorrell is considering conventional ad types for Y&R after ex-client Fudge. Sixteen months in, it's one of the longest CEO searches in recent memory.

C-

GRADES BY HOLDING COMPANY

OMNICOM

TBWA\Chiat\Day	A-
BBDO	A-
DDB	B
Goodby, Silverstein & Partners	B
GSD&M	C+
Merkley + Partners	C

IPG

Mullen	B+
The Martin Agency	B
McCann Erickson	B
Campbell-Ewald	B-
Foote Cone & Belding	C
Campbell Mithun	C
Deutsch	C
Hill, Holliday, Connors, Cosmopolos	C
Lowe	D+
TM Advertising	D

WPP

Ogilvy & Mather	B
Grey	B-
JWT	B-
Berlin Cameron/Red Cell	C-
Young & Rubicam	C-

PUBLICIS

Publicis USA	B
The Kaplan Thaler Group	B
Bartle Bogle Hegarty	B
Leo Burnett	C+
Publicis & Hal Riney	C+
Fallon	C
Berlin Cameron/Red Cell	C-
Berlin Cameron/Red Cell	C-

HAVAS

Arnold	B
Euro RSCG	C+

MDC

Crispin Porter + Bogusky	A-
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INDEPENDENTS

Wieden + Kennedy	A-
Cramer-Krasselt	B-
The Richards Group	B-
Doner	C