HARVARD | BUSINESS | SCHOOL

N9-408-077
REV: FEBRUARY 28, 2008

ROBERT G. ECCLES
KERRY HERMAN

Weber Shandwick: The Client Relationship Leader Program

Early in November 2007, Andy Polansky, president of global public relations (PR) giant Weber Shandwick, ended his weekly call with Ken Luce, head of Weber Shandwick's client relationship leader program (CRL).[a] Begun in 2002, the CRL program assigned account heads—called CRLs–to the firm's top 30 or so clients. The CRLs held responsibility for all aspects of the account, coordinating Weber Shandwick's global services with client needs and providing clients with a single point of contact. While the program was not groundbreaking in the industry, Weber Shandwick's adaptations were on course to deliver an additional $20+ million in 2007 revenue from CRL clients while providing more coordinated and integrative service to each.

Together with Weber Shandwick CEO Harris Diamond and Chairman Jack Leslie, Polansky planned to assess the CRL program in the upcoming weeks and decide whether and how to expand and refine it. They were considering whether to expand the program beyond the top-tier Weber Shandwick clients it currently served, or to refine the performance metrics on which CRLs were measured to go beyond the revenues generated by each account. As they considered expanding the program, how to identify and train prospective account heads became critical. As Luce noted, "Weber Shandwick's culture is highly collaborative, and that's pretty unique in our industry. One of our biggest challenges in getting CRL talent internally and externally is that the collaborative and best practice mindset we have here is a tough skill set for outsiders to come up the curve on quickly."

There had also been some interest in rolling out the CRL program to other non-PR companies in immediate parent company, Constituency Management Group (CMG); CMG was part of the Interpublic Group's (IPG) stable of PR, marketing, and communications companies (see **Exhibit 1** for IPG financials; **Exhibit 2** for a list of IPG business entities). Rolling the CRL program out to the other companies could entail expanding to dozens of additional accounts by CMG firms. Pursuing any of these options could call for a more formal, institution-wide CRL training program along with the development of deeper, more flexible account management tools, particularly WeberWorks (3.0), the firm's showpiece collaboration and constituency management tool.

[a] Luce was concurrently president of Weber Shandwick Southwest and California.

Senior Lecturer Robert G. Eccles and Assistant Director Kerry Herman, Global Research Group, prepared this case. HBS cases are developed solely as the basis for class discussion. Cases are not intended to serve as endorsements, sources of primary data, or illustrations of effective or ineffective management.

The Public Relations Industry, 2001-2007: Recession and Growth

The PR industry had undergone a significant transformation since the millennium. In 2001, a bursting dotcom bubble and the September 11th terrorist attacks in New York City and Washington, D.C. marked the start of a three-year global recession. Budgets were cut as companies limited corporate expenditures, including reduced spending on marketing and PR. While the biggest cuts were made in advertising, the entire public relations industry had seen firm revenues drop by at least 10%.[1] Companies also focused more on their "superbrands" and stayed away from marketing their second-tier products, leaving some accounts to become dormant.[2] As a result, industry hiring remained stagnant through 2003, and net fees and payrolls declined.[3] To help offset losses, some smaller agencies created alliances with competitors, and other firms altered their direction with clients and concentrated on services that responded to the fierce market conditions.[4] Only in 2004 did firms begin hiring at all levels of seniority, as healthcare, internal communications, and financial communications work began to pick up.[5] Two years later, revenue for the top 30 U.S. PR agencies had increased by 17%,[6] and industry insiders started referring to a shortage of talent.

A Changing Industry Landscape

As the industry revived and the Internet took hold, the once-clear distinction between PR and other marketing disciplines started to blur. Clients now sought more comprehensive marketing services—practices that would address both the PR and visual communications aspects of product branding and promotion.[7] Industry consolidation through acquisition had seen holding companies (or marketing conglomerates as they were also called), such as WPP, Omnicom, and Weber Shandwick parent Interpublic Group (IPG), undertake a number of roll ups, acquiring PR firms and other communication and marketing services firms in the 1990s. By 2006 only one of the top ten PR firms had remained independent, with the rest owned by media conglomerates. (**Exhibit 3** provides comparative financial data over time; **Exhibit 4** provides relative stock price performance.)[8]

These holding companies offered several benefits to their clients: access to their network of affiliated offices around the globe, access to people and expertise, access to research developed by associate firms in the company and the ability to meet their range of marketing and communications needs through a single vendor. From the company perspective there were also benefits: holding companies provided financial support for growth, offered access to a globally established network of affiliates to better serve clients, and in IPG's case, allowed individual firms to maintain their brands.[9]

IPG was highly decentralized, with little brand recognition outside the industry, but with a robust portfolio of well-known brands. At the individual firm level within the holding companies, there were three ways to run a PR firm. Most were either practice driven, as with Weber Shandwick competitor Burson-Marsteller, or P&L dominated, as BSMG had been prior to merging with Weber Shandwick, and as Weber Shandwick itself continued to be in large part; finally, a handful were dominated by a primary client.

With consolidation, and growth, differentiation amongst the firms (and their holding companies) was a challenge. Leslie Gaines-Ross, Weber Shandwick's chief reputation strategist, noted, "Everyone has become fairly similar across the industry; it is hard to characterize a particular holding company—and sometimes even a particular firm—as having a particular identity or exclusive expertise. Digital media is important for every client, corporate social responsibility or being green—these are all hot areas that clients—and therefore their firms—say they are focused on. How to differentiate has become an increasingly important issue because essentially you are looking for any edge you can get." Burson-Marsteller was known for its crisis expertise; Edelman had made significant investments in digital media; Weber Shandwick led the industry with its strong marketing communications expertise and its focus on managing global clients. Weber Shandwick was named by the leading PR trade industry publication as the "Blue Chip,"[10] recognizing both its global and local clients and its senior level staff. In 2006 the firm brought Gaines-Ross in as chief reputation strategist, putting a significant stake in the ground around the reputation management arena.

Reputation Management Reputation management as a specialty area had grown as CEOs and other senior executives increasingly recognized the importance of this intangible asset. "Trust in a company, and trust in its leadership are equally difficult to measure," Gaines-Ross noted, "and plays a significant role in terms of its reputation. It's very hard to measure reputation until you've lost it." Companies that had strong positive reputations with their various stakeholders were seen as being able to deliver sustained financial performance and this was reflected in their earnings multiple and stock price. At the same time, as the Internet and other digital media expanded a company's stakeholder portfolio to include all kinds of advocates and critics ("badvocates"), including NGOs, risks to reputation and thus stock price were increasing as well (see below for discussion of advocacy). "There are so many people in the reputation management space now," Gaines-Ross pointed out. "It's now all about your placement on page one or two of Google, or hits to your site, or what an employee may say about the company on their private blog. Your online reputation can be dashed overnight." While many of Weber Shandwick's competitors were developing services to manage reputational risk, Weber Shandwick was especially committed to distinguishing itself in this regard.

Blogging The Internet and other digital media had also significantly changed the way PR was consumed—and was therefore executed. Blogging was one of the first Internet arenas the PR industry tapped into because PR's core competency had always been about managing uncontrollable conversations and influencing hard-to-reach audiences. Blogging provided agencies with an open-ended source of feedback on products, services, branding, and trends directly from the minds of consumers and their clients, offering an unprecedented and perhaps undesirable level of transparency. Companies had the potential to re-brand and re-market goods in response to sales, or as their own research data suggested, the market was changing. As an insider noted, "If a product is aimed at women 35-44 and then you find that men are clustered around it, a company can change its marketing tactics."[11] Blogs not only offered real-time consumer data but also a way to speak directly to consumers without pursuing traditional advertising techniques that were at times impersonal because they were aimed at a broader audience. "The consumer" *per se* no longer existed and instead actual individual consumers could be targeted. By scanning blogs, PR agencies could respond directly to consumer comments and try to "influence the influencer," creating a "public of one,"[12] such as a pundit, influential media personage (e.g. Michael Moore or Rush Limbaugh), or single blogger, who was gaining far more influence than before. As a 2007 global Nielsen Internet survey noted, "Despite—or perhaps because of—an ever-expanding array of advertising platforms and sources, consumers around the world still place their highest levels of trust in other consumers."[13]

Social Networking Along with the blogosphere, social networking tools such as YouTube, MySpace, and Facebook also represented the new frontier of PR—where consumers could be targeted in their online social communities through advocacy and "visual branding and communications."[14] "Social networking is really recommendations between people about the things that they are interested in and they like," an advertising group's head noted. "This has stimulated people's attention in terms of the importance of PR."[15] Young consumers' behavior especially was increasingly driven by social networking, which could make or break some products after only a day's cycle through the hottest networking sites.

A telecom media relations head described the industry transformation: "We know there's a lot of conversation out there, [but] I don't think we really know the true impact of that conversation. [. . .] Trying stuff that may not work, being OK with it not working, and trying something else—I think that all has to be tolerated, if not reveled in."[16] Gaines-Ross noted, "In PR, word of mouth and the dynamics of influence and social networking have fundamentally changed the way the industry works. Companies—to succeed—are increasingly relying on 'everyday' people to champion their products or causes. This has really changed the PR world, and it means that companies like ours have to help our clients find these people—their advocates—and mobilize them effectively."

Weber Shandwick

Weber Shandwick's ultimate owner was IPG, a marketing services holding company founded in 1961 by advertising agency McCann-Erickson's then-CEO Marion Harper. By 2006 IPG had 42,000 employees and reported net revenues of about $6.1 billion and gross profits of $341 million.[17]

Weber Shandwick was created in the 2001 merger of The Weber Group, a U.S. marketing communications agency founded in 1987 that focused on emerging technologies, and Shandwick International, a U.K. PR firm established in 1974. In 2001 Weber Shandwick merged with BSMG Worldwide to become the largest PR agency in the world, with 84 company offices in 40 countries. An additional 48 affiliate offices expanded the Weber Shandwick network to 82 countries.[18] Polansky joined Diamond and Leslie, BSMG's CEO and chairman respectively, to run the new entity.

The leadership team moved quickly to build up an international client roster in line with its physical presence outside the U.S. and U.K. They also worked to deepen and broaden relationships with existing clients. The newly merged firm already boasted several long-standing relationships with well-known companies: Harley-Davidson had been a client since 1982, Ingersoll Rand since 1983, American Airlines (AA) since 1986 and Unilever since 1987. The list of clients that had been part of the firm's stable for over ten years (since 1997) included Honeywell, Kraft, MasterCard, Microsoft, the National Milk Processor Board (got milk?), Pfizer, and Verizon.[19]

By 2007, Weber Shandwick had more than 2,500 employees, and in 2007 saw its second consecutive year of double-digit growth. Weber Shandwick's global presence spanned six continents, placing the firm at the center of major media, government and business PR markets. Weber Shandwick's PR strategies were grounded in innovative attitudinal- and fact-based methodologies such as advocacy, consumer promotion, and the use of emerging social media outlets—such as Wikis, Web sites and blogs—to reach target audiences. Its advocacy thought leadership platform was based on the idea that advocates made the best champions because they had the passion to influence their personal networks.[20] Weber Shandwick worked closely with clients to identify and foster these advocates, as well as to mediate "badvocates," individuals or groups that publicly denounced a client or the service they provided.

Organizational Structure

BSMG Worldwide had grown organically, meeting client needs with an office-centric model. By 2007 this legacy was reflected in Weber Shandwick's organization: some Weber Shandwick offices covered a region—such as the Southwest (U.S.), Continental Europe, New England or Asia Pacific. Others covered a country (Germany or Belgium, for example), a state (California), or a city (New York, Dallas or Minneapolis). (See **Exhibit 5** for a listing of office locations.) Weber Shandwick developed broad practice areas introduced to cover domain areas such as business-to-business and/or consumer marketing, corporate communications and crisis management, public affairs, healthcare or technology, amongst several others (**Exhibit 6** provides a more complete list). The firm offered additional expertise clustered in specialties, such as education, broadcast services, entertainment marketing, corporate social responsibility, or issues and advocacy advertising, and reputation management (**Exhibit 7** provides a more complete list). By 2007, practice areas and specialty services were organized on a global basis.

As a result, by 2007 Weber Shandwick's global network enabled the firm to serve clients in nearly all major media, cultural, government and business centers on six continents. In the Americas the firm operated 24 offices throughout the U.S., Canada, and Latin America. In Canada and Latin America, Weber Shandwick worked in government and business hubs, emphasizing public affairs, crisis communications, and product and service launches. Weber Shandwick's network in Europe, the Middle East and Africa (EMEA) was spread over 52 offices in 37 markets (cities, regions and/or countries) and was comprised of PR practitioners with expertise in consumer, technology, public affairs, financial communications, corporate communications and healthcare. In Asia, Weber Shandwick fielded 16 offices in 11 markets covering Australia, China, Japan, India, and Southeast Asia. Weber Shandwick's Asia-Pacific strategy centered on branding and communications support for multinationals. In all these geographies Weber Shandwick developed in-depth knowledge about area governments, market practices, NGOs, and trends in interactive, social and emerging media.

Leadership

Weber Shandwick was led by an executive committee comprised of Diamond, Leslie and Polansky. As CEO, Diamond led Weber Shandwick while simultaneously running CMG's $1 billion portfolio of marketing services businesses. As chairman, Leslie was Weber Shandwick's senior thought leader and focused on business development and strategy. As president, Polansky was responsible for Weber Shandwick's day-to-day business, with overarching responsibility for the firm's clients, people and operations. As one insider put it, "Diamond is our 'bold leader,' and our numbers guru. Leslie is the external Weber Shandwick ambassador to the world. Polansky is the great integrator: he knows everything about what the company is doing and what the company should be doing. They are a true leadership triumvirate for the firm, each really complementing the others. This is very unusual in a PR firm." All three were deeply engaged with many major clients. "Their hands-on interactions with many of our top clients mean they are really in the thick of things and they really know what is going on," another Weber Shandwick employee said. "You can call any of them at any time, so there is never a roadblock or delay when a client needs something right away." Despite their close relationships with major clients, Diamond, Leslie, and Polansky rarely interfered with day-to-day office activities, preferring to encourage an entrepreneurial spirit among office heads.

The global practices and larger office leaders, coupled with corporate executives' CFO, SVP of human resources, chief business development officer and chief reputation strategist, formed the next layer of senior management (see **Exhibit 8**). Offices were run as profit centers tied to a P&L, Diamond noted, whereas practice areas were encouraged instead to focus on revenues. Office success was also measured at the P&L level. "Local managers are held accountable to the firm's financial goals. They focus on attracting the best talent and on driving results," Polansky explained.

As across the rest of the industry, some Weber Shandwick employees joined the firm at entry levels and moved up through the ranks over the years, while others came on board with experience from another agency. By 2007, as the industry grew increasingly specialized by practice area and more diverse companies sought public relations support to build their brands, investment in specific expertise (such as litigation support, clean technology, nutrition, and corporate responsibility) rose. Since 2002, Weber Shandwick had increasingly recruited specific senior expertise from outside the company.

Learning to Share

Traditionally, the firm's business had grown around its geographic centers, because, according to Leslie, "this was how you controlled profits and managed clients." The resulting organizational silos, however, "were very destructive to best practice." Inherent conflicts surfaced as Weber Shandwick weathered the 2001-2002 recession in the industry. "At the time of the merger in 2001," Diamond recalled, "in my first 12 months, I laid off about 20% of our employees, closed about 23 locations and shut down 12 different companies that were a part of this group." "In spite of our success initially after the merger, it felt a bit like we had a confederation of offices at that time," Polansky added. "So we worried about handling all of a client's business effectively. If it was shared across offices, we found it wasn't always being shared enough, or with enough synergies. We had to focus on tapping into the depth of expertise that existed in the firm across geographies and practice areas." The firm's leadership continued to grapple with how to bind the offices together. "Since people really learned the lesson in 2001-2002 that if you didn't have a P&L that was making money, the likelihood of surviving was slim," Diamond noted, "how do I send a message to people that I want them actually to collaborate, stop thinking about profitability for a second, just starting thinking once again about their clients on the assumption that our business would come back?"

Local offices were encouraged to share clients, but given that they were measured individually on their own office's P&L, account managers had few incentives to share client work or projects across other offices. "It was counter-intuitive," Diamond noted, "and not in their best interests financially." For example, in 2001 one of Weber Shandwick's largest accounts needed a project executed in Italy. Yet for a $12 million annual client, Weber Shandwick's Italian division was only budgeted $2,000 from the client for local services that actually cost substantially more. "We needed them to do $20,000 dollars of work. Do we absorb that? Or hold them to a strict billing-by-project model?" Diamond asked. "Of course the overall picture of an account of that importance to our firm should take precedent." However, Weber Shandwick's office in Italy still had to figure out how to carry the local work and manage to its bottom line. "We put systems in place to try to smooth out these kinds of conflicts, but it only got us about 60%-70% of the way," Diamond noted. "And people were still very tentative. We knew we needed to grow beyond our geographic focus, but we were culturally set up to be office-centric." Some systems helped offices to co-locate work more readily by consolidating some back-office and reporting functions. A 2001 company-wide gathering of all senior managers also helped the firm's leadership network to build bridges across offices. The 2002 launch of a firm-wide Intranet and subsequent internal awareness campaigns and staff meetings had the biggest impact, as Polansky recalled:

> Part of the challenge was that our people didn't have an appreciation for what their peers in other offices were doing—but more because they just didn't have visibility into the broad range of client engagements we were handling. Their only frame of reference was their own office. We tried to think about how we could celebrate all the good work. We brought people together at different levels of the company. And we launched our intranet—then it was called I-connect—which gathered case studies, bios, and office profiles. We also launched a Great Work series to feature the firm's creativity and intellectual capital. Our employees could see and have an appreciation for what their colleagues were doing. Suddenly you could see the

skill sets around the firm, where they sat, how to tap into them when you needed them. And it was a tremendous morale builder. It really began to seed and ultimately solidified our culture of collaboration.

Hunters and Farmers

Employees were rewarded in direct correlation to financial results. Over time, however, senior managers increasingly discovered that some people's skills—critical to the firm's success—were not easily accounted for or rewarded via classic bottom-line metrics. "Some people are just better at bringing their clients new and exciting ways to do things," Luce explained. "They think about connections that can make their client more successful, rather than what will book more business—or revenues—to their own office." Accounts required different kinds of attention, depending on the individual client and their circumstances, as well as external factors. Some clients might be in very high growth environments, or the clients themselves were young or evolving companies, while others were in stable or mature industries. The company had its own typology for this: hunters and farmers.

A hunter was characterized as aggressive, going after things for their client, making new connections and opportunities happen. This often led to new business. Farmers were typically focused on husbanding an account and providing excellent client service without a particular focus on business-building. "Both types are necessary to our business," said Luce, "and it really is a matter of what the client's needs are." While hunters were typically rewarded, and seen as valuable, by 2003 it became clear that there was no identifiable career path that consistently recognized the husbanding skills of a farmer, a detriment to retaining some of the firm's most valuable talent as hiring became more competitive. The firm's top leadership felt, as Diamond noted, that "We need to provide both types of people with a viable career path within Weber Shandwick, because they are important assets for us to keep in the firm."

The Customer Relationship Leader Program

By early 2003, Diamond, Leslie and Polansky had spent over a year on the road meeting with the newly-formed firm's clients and offices around the world. At the same time, Diamond, Polansky and Leslie sometimes found that while they spent time with many office leaders around the world, they came to the realization that some key people's contributions weren't being fully recognized. "We weren't always meeting with the people who were running some of our larger accounts," Polansky recalled. "At the same time, we worried about how to ensure we were delivering the most value and best service we could to these top clients." Diamond elaborated the leadership's concerns:

> Clients were already looking to us for multi-office coverage, and usually multi-practice use as well. We were concerned about how to track our expansion—which had been clearly geographical, but now was morphing across regions, practices and specialty areas. We wanted to be sure to deliver the most value—to our most important clients especially—but were unsure how to measure that. We were growing like wildfire at the time and had expanded into a range of additional practices. We needed to be sure our most important clients were getting the special attention they deserved.

As across the industry, they found their clients typically fell into two categories: projects or retainers. Projects were geared to address a singular issue for the client: a crisis, leadership change, or product launch. Retainer-based clients, in contrast, relied more on relationship building and usually included services across a range of Weber Shandwick markets, specialties or practices, depending on the client's needs. Diamond elaborated:

> You have to define what kind of client you have. You have clients that will come to you and maybe spend a $1 million, $2 million, $3 million. But the reality is that it's very random. The reason they're spending that money is because they have an issue, they have a problem, and they need a service. And you know ahead of time that the reality is that because of your relationship—with the board, the CFO, or the general counsel, they're just going to use you for that particular purpose. Whereas the retainer client, which is where the long-lasting relationship exists—tends to be generally more oriented towards marketing. They are probably not going to use you because of the relationship you have with the board, the CEO, the general counsel, and somebody else. They're going to use you more strategically and across a range of services and markets. And you hope they're going to use you over time.

Top clients consistently asked Weber Shandwick's leadership for a single point of contact to manage and coordinate their global needs, whether retainer or project-based. In the face of an increasingly global environment, clients also asked Weber Shandwick to consistently execute their message and communications across all their markets. Given their findings, Diamond, Leslie and Polansky decided to formalize a client relationship leader program that would assign a single account head to the firm's top 30 or so accounts. Luce was put in charge of the program. Polansky said: "He's just an incredible team builder, extremely collaborative, and good at bringing people together. He ran one of our major regions and worked in one of our bigger offices; he is well-respected and knows everyone." CRLs reported to their home office and informally to Luce. "We think it is important not to pull these people out of their offices completely," Polansky noted. Luce knew all the CRLs and had relationships with all the heads of Weber Shandwick's offices. The program quickly became the cornerstone of Weber Shandwick's client service philosophy.

CRLs were not a new idea in the industry, and Leslie acknowledged "it's sort of a no-brainer." However, within Weber Shandwick's office-centric model, installing CRLs with absolute power to engage whatever resources they needed for their accounts created a number of challenges. To counter tensions between CRLs and office or practice heads, Diamond, Leslie, and Polansky institutionalized the program by celebrating the CRLs, showcasing special projects and successes. Diamond, Leslie, and Polansky also monitored the CRLs' needs closely, Leslie added. "We made it clear that if we heard you denied a CRL trying to get help for their account, we came down on you." A similar approach had been taken when the practice areas had been launched, so the model was already familiar to the firm's network of offices. All the initial CRLs were already senior employees at Weber Shandwick, with fairly long histories both with the firm and often with their assigned account.

Polansky's and Diamond's top priority was to create incentives for the CRLs to think globally and to find the best ways to serve their clients. To this end, if a CRL ran into any problems or had questions about anything they needed for their client, they called Luce. Diamond, Leslie or Polansky were also always available as resources, especially as all three had close ties with most of the firm's top accounts. Initially there was room for some conflict, since CRLs were given the authority to pull the best people in their own office and affiliate offices in other markets off other projects if they felt their account needed the resource. But clashes between office heads and CRLs were minimal. "Culturally, people get it," Polansky said. "We don't get much push back, on the whole everyone understands—these are our biggest accounts, and everyone is committed to delivering the best service possible to them." If a CRL had an idea for a client-related investment not covered specifically by the account's budget, it got bumped up to Polansky for sign off; such investments could include travel, research or unscheduled gatherings of top managers on the account.

As with the practice areas, Diamond consciously decided to not tie CRLs to a P&L, but instead to measure their performance on how much they drove top-line revenues. "We decided that CRLs would be measured only on the growth of the top line, because the bottom line was harder to measure at this point," Diamond said. "We want them to deliver to the client the best service possible, not think about the P&L."

There was a defined bonus program for CRLs. A CRL account's work might be managed out of a lead office, but was carried out by Weber Shandwick offices across all six continents, with different specialties and practice areas handled by different offices, all overseen by the CRL. The CRL bonus pool was based on account revenue. The incentive plan was clearly based on a growth-driven model, but also "naturally involved qualitative assessment," Polansky explained. "It's not formulaic. Every client is dynamic, and each situation is different." Additionally, Polansky noted, "a CRL typically manages a large global team, so we have to spend some time determining how to parse a bonus out across their entire team."

The CRLs and Their Accounts

Weber Shandwick's top accounts with CRLs ranged across a number of industries and included firms with wide-ranging global communications needs such as AA, Microsoft, MasterCard, and VeriSign. Some wore more than one hat in terms of responsibilities; one CRL, for example, was also general manager of the Weber Shandwick Dallas office, another, the general manager of the New York office; a third CRL was simultaneously a practice head in the New York office (**Exhibit 9** provides a list of CRLs and their client by locations).

CRL clients ranged from corporate communication officers to senior vice presidents of communications and marketing to the heads of product groups, depending on what the client hired Weber Shandwick for. In general, CRLs worked most closely with their client's corporate communications officer. This function tended to be very close to the client's CEO, Diamond noted: "The corporate communications' function becomes very powerful within a limited sphere, so a good CRL will often become their alter ego, and end up having very close ties pretty high up in the client's organization." It was unusual for an outsider to have access to this level in a firm.

Clients responded positively to the program. "I do think that one point of contact for global network support is a huge plus, and necessary for reasons of efficiency and consistency," Harvey Greisman, MasterCard senior vice president and group executive of worldwide communications, said. "But that shouldn't mean that a client gives up his or her regional contacts at the agency—because nothing substitutes for direct relationships." One point of contact provided far more than a single point of accountability; it meant clients could rely on someone who had a broad overview of their needs and access to a range of services to meet those needs. "Clients buy the notion that you're going to bring all that Weber Shandwick—and IPG—have to bear on their needs," Luce said. "It's a powerful team you can draw on." At AA, for example, CRL Jody Venturoni went from helping the company with its general media relations and crisis communications—the firm's original engagement with AA—to expanding into new specialties and practice areas, including corporate communications and labor relations.

In fact, the best CRLs were seen by clients as parts of their internal team, offering a sounding board or strategy for the client's overall PR and communications needs, counseling on new initiatives, and even in hiring new client communications leadership. "We have that sort of yin and yang-type relationship," said Tom Pilla, Microsoft's general manager Corporate Communications, of CRL Tim Fry. "We truly look at the agency as an extension of Microsoft. We don't just look at them as execution—arms and legs—although certainly they provide that in many instances. But we look to them as strategic partners with a seat and a voice at the table. We look at them, both from the corporate perspective and from a divisional or product group perspective, as just an extension of our internal teams." Microsoft went so far as to change its billing system from hourly to scope-of-work to alleviate overhead on its internal PR budget owners, and as a signal that it wanted a strong and long-term partnership with Weber Shandwick. "The yin and yang comes in even more when we do people reviews," Pilla continued. "We give feedback on their people, and they give feedback on our people."

The Role of the CRL

CRLs provided strategic counsel, team management and troubleshooting, budget management, client liaison services, and results reporting.[b] "They ultimately ensure that all client goals are met," said Luce. An effective CRL had to balance good client service with responsible use of Weber Shandwick's resources given client billings. The CRL represented the client's interests and needs and was dedicated to delivering the best service possible, yet was also a Weber Shandwick employee with the firm's interests in mind. "The person has to have the ability to go native and think and act like the client," Diamond said. "They have to understand their client's business, their metrics, their growth, their reach, all of it. And yet they *can't* go native. At the end of the day they work for us."

Clients identified several things as critical in a CRL. For Melanie Branon, vice president Corporate Marketing at VeriSign, social intelligence topped the list. "This means in addition to having the brain power for creative, strategic thinking, the CRL needs the personality and interpersonal skills to keep cross-functional teams and programs working at maximum capacity." CRLs needed to have breadth and depth in order to keep up with their client's needs. "They need to eat, sleep and breathe our company, our industry, everything," AA Vice President Corporate Communications and Advertising Roger Frizzell added. "Our CRL does that and she makes it seem seamless. She has an office here in our Dallas headquarters. She has an AA.com e-mail address. And she's made sure her team is completely integrated with our communications and marketing team. Some of our folks will say 'What? That person is not an AA person? They're with Weber Shandwick?' That's how closely her team is integrated with ours."

Diplomacy was a must. While good chemistry and fit with their client was critical, one CRL noted the potential challenges:

> Our clients want people that are like them, that understand their business, their industry, and their culture. What's interesting about that is that type of person isn't necessarily the type of person who is going to provide you the most strategic PR counsel. And then the person who's going to provide you with the most strategic PR counsel, isn't necessarily the person who can get stuff done at the client company. So it's a constant balancing act. You have to get inside to become a member of the clan first. And sometimes becoming a member of the clan

[b] Results reporting was essentially accounting to the client on all dimensions of the work the firm had been engaged to deliver; for example it could include demonstrating value to the client through budget reporting, or through benchmarking, pre+post surveys, documentation of quality and tone of media mentions, etc.

can appear a little counter-productive to driving a communications strategy that is good for your client's business.

CRLs provided a range of personalized services to their accounts, yet also had to know where to find skills they could not tap into with their own resources. "You have to know a fair amount about a lot of things," Polansky said. "The business is becoming increasingly specialized, but the CRL won't necessarily have all of the expertise and experience. Part of their job is finding it."

Whereas CRLs worked off an overall budget, getting alignment across local offices was critical. CRLs projected annual budgets across the scope of their client's needs for the entire Weber Shandwick network, and then allocated a dollar figure to a local office for each specific engagement. The local office managed to the allocated budget from the CRL, but tensions could arise when a local office head had to expend resources for a CRL account that exceeded the budget he or she had been allocated. At these times, CRLs could turn to Luce and Polansky for corporate funding if the investment made sense given the overall profile of the account.

Managing a CRL Account

"Our clients want one problem solver," Venturoni noted. "That means one person to call, one person who has their finger on the pulse across the entire account." Her challenge was to make that one point of contact a mind-set throughout her team. She organized global calls every two weeks in order to keep herself abreast of each office's efforts, and had a lieutenant who acted solely as coordinator of all the various parts of Weber Shandwick's AA team. "Coordination is probably about 25%-40% of my time. And I have a full-time resource to help me with this," she said; other CRLs concurred. Some CRLs set up mini-CRLs to manage discrete pieces of client business or to head account activities in a region. "There is a lot of administrating," MasterCard CRL Paul Jensen said. "We're probably running 50 different work streams across the globe at any one time." Judgment calls had to be made constantly and quickly; "A lot of stuff that happens in terms of the work we do, the client should never hear about," Venturoni noted.

CRLs managed all client account resources, including people in other regions executing a project for the CRL's account; at times this could bring them in conflict with the head of another Weber Shandwick office. If a CRL saw issues between their client and the Weber Shandwick office providing the service, they had the ability to go in and fix them. VeriSign CRL David Nieland explained, "I have the ultimate authority to go in and explain to the profit center manager the issues we're seeing from the client perspective, and tell them 'We need to make a change, and if we can't make a change out of your office, then we're going to have to move the business to another office where we do have that capability." "I had to send a person to Asia and have him in the office for three weeks to manage some of the request crossovers and overlaps," Venturoni recalled. "It was a hit on my resources, but we did what was best for the client with the firm's full support."

On the client side, CRLs also had to negotiate the various needs across their client's groups and divisions. Some clients were highly diversified, with a number of business units pressing for PR support. "At VeriSign, we've been challenged to weigh the needs of different clients and their programs because all the business unit leaders have goals they have to meet," Nieland explained. "It's my job to balance all of those individual requests with the overall needs of the corporation. In saying no in a way that comes across as strategic advice and candid feedback, versus no, we just don't want to do that, but providing them some context in terms of why. I help them see the forest from the trees within VeriSign in terms of why we should or shouldn't go down a certain path or strategy or tactic." The CRL's balancing act grew more complex as client needs expanded into other areas in which Weber Shandwick offered services. As one CRL recalled, "My client was looking to get better support on other marketing needs, and through our parent company's broader holdings, we could offer them the services of a particular IPG marketing services company. But my client had a rocky relationship with this firm. It was mostly a perception issue, but I couldn't use them. So I went outside the IPG family. But that was best for the client."

The array of specialty and practice areas and network of global offices ensured a CRL got constant and steady reminders of how the rest of the PR world worked. Microsoft CRL Tim Fry, who had worked with Microsoft for more than 11 years, acknowledged the difficulty in getting distance from a client's culture. "I think being part of a large agency makes that a lot easier to do. The time I spend talking to our entertainment folks and getting briefed on the entertainment industry. Or the head of our consumer practice reminds me 'Here's what consumers care about. They don't care about this other stuff.' I get a reality check." For a smaller PR firm working for a global client the size of Microsoft, Fry noted, "They might as well be Microsoft employees. They don't have a deep entertainment or deep consumer practice to balance them out."

Sharing Knowledge Among CRLs

Knowledge transfer and sharing amongst CRLs was also carefully managed. Polansky had monthly calls with Luce, although additional calls were held any time there was a new product release or other timely information needed to get out to the CRLs immediately. "For example, we have a new social media monitoring tool launching later in November," Polansky noted. "It's an exclusive tool with a new partner. We want to be sure to get the information out to the CRLs and train them ASAP. Ken will be sure they all know about it and can bring the new resource to our clients." All the practice heads also regularly received tools and studies related to their specific areas.

The CRLs gathered as a group once or twice a year, but most also had prior work connections with each other, and called on each other for advice regularly. Their network provided an important resource when any one of them encountered a new challenge or saw their client facing an issue they knew one of their other CRL colleagues had already dealt with on another account. "The trading of information is very useful," one CRL noted. "It's not that the situations will be exactly the same, but some of the insights another CRL has gained are transferrable. I'll get a hint about how to manage my own client's opportunity or crisis."

Succession planning remained a sensitive issue. A CRL's success depended to some extent on personal chemistry with the client. Handing the account off to another person could present concerns of fit and understanding. At the same time, accounts matured over time as well, and their needs changed. Venturoni elaborated: "At one point an account might need a 'hunter,' someone who is really aggressive and goes after new things and new directions for their client. The growth of AA for us is in part due to my hunting skills. But in two years or so they may need a farmer, and that may be the basis for the succession we plan for." The program was still young enough that there had been little change for most CRL accounts, but Venturoni speculated that once AA no longer needed her kind of leadership, she would be moved to another account that did. More pressing was developing enough talent to manage the growing list of clients Weber Shandwick leadership wanted in the CRL program. In December 2007, three clients were waiting for designated CRLs. Finding the talent was the issue.

Tools: WeberWorks (3.0)

When the CRL program first launched, Weber Shandwick developed a sophisticated account management tool for their use. By 2007, the third iteration of WeberWorks, as it was called, had three components. The first was a *general collaboration tool* which gave a CRL and her team access to each others' and the client's information, and allowed them to share project work and send messages to each other within the client's platform. It could be customized to reflect the look and feel of a client's brand, and offered a platform for document, image and calendar sharing, as well as custom Web pages. The collaboration tool's interface, based on an off-the-shelf product, was easily customized to each team's needs.

The second component offered *constituency management tools*,[c] including contact, outreach and meeting tools. It also allowed the team and their client to quickly access and update views of PR releases, for example, and quickly sort through press mentions by region, journalist, or publication.

The third component offered *measurement tools*, including coverage tools (which tracked coverage of a client in the press), comprehensive analysis and dashboard capabilities, and access to databases via subscriptions, such as Factiva (which collected news sources from around the world), Critical Mention (a broadcast media monitoring service), PRTrak (publicity valuation software that generated ad-equivalency and audience data measuring publicity rates in broadcast and/or print outlets) or VMS (which offered broadcast monitoring, competitive advertising intelligence, in-depth analytics, and PR measurement). One Weber Shandwick telecommunications client was using the tool to analyze its CEO in comparison to his peers by collating his quotes and ways he was described by journalists. "The tool is powerful and is pretty easily customizable to clients' interests and needs," Andrew Eberle, executive vice president Weber Shandwick, said. Eberle ran the development and use of WeberWorks from Weber Shandwick's Cambridge, Massachusetts office. The tool was proprietary to Weber Shandwick and was the only product of its kind to date in the industry. By 2007 about 80% of Weber Shandwick's top 25 clients used WeberWorks. "This kind of tool connects people," Polansky said. "And it creates stickiness with the client. We become the repository for all of their initiatives and the results of those initiatives."

The Future of the CRL Program

By 2007, the CRL program was well-established and highly successful; CRL accounts generated as much as 30% of Weber Shandwick revenues. Across the board, CRL clients were highly satisfied; most had expanded their business with Weber Shandwick and deepened their existing ties. "Where we fail," Diamond said, "is when our CRLs don't think big enough." He continued:

> Obviously this is a problem for us in terms of business development. If the CRL doesn't think expansively, he or she will miss out on opportunities to serve the client best, but also possibly on opportunities to grow our business or gain new business with that client. The second problem is from the perspective of the CRL's own professional development. They run the risk of becoming comfortable and protective of their relationship. So they may hesitate to introduce the client to new specialties or practices, out of concerns that a) they'll be seen as trying to sell something to the client that the client doesn't need, or b) that the new service or

[c] Constituency management tools were specialized contact management software that helped account teams keep track of individual interactions with people who directly or indirectly influenced the purchase of a client's product or service.

practice won't be able to deliver, and therefore jeopardize the overall relationship, or c) that they'll personally lose control of the client relationship with new service providers coming in.

Polansky concurred, "We are investing heavily in training but need to continue to do more and more in that area. The business is ever-changing," Polansky noted, "we have to stay ahead of what's coming next, and what skills will be needed."

The team constantly worked to develop ways to encourage and institutionalize collaboration, with standards set by the firm's top leadership. Disincentives were incorporated as well. "In reviews, if it comes out that you do not play well in the greater Weber Shandwick sandbox," Leslie said, "it will bode very ill for you." Diamond, Leslie and Polansky modeled their behavior specifically to lead the cultural change, but in the end, Leslie acknowledged, "It doesn't matter how great your tools are, we are in a people business, and companies either have a culture of collaboration, or they don't."

Next Steps

Polansky reviewed his notes from the call with Luce. Luce had raised several good points: Should the CRL program be offered to more clients, including those with billings at a lower threshold? What training or development could help those CRLs that were not the top hunters or farmers, or that were hired from outside Weber Shandwick's culture of collaboration and best practices? What more could they do to develop really visionary CRLs? The firm faced several opportunities for WeberWorks as well. Certain clients were asking their other agencies be given access to WeberWorks. "Perhaps we charge a subscription fee for it?" Polansky wondered. If Weber Shandwick decided to roll out the CRL program to their next-tier clients, or further expand it out to the CMG level, how much would WeberWorks have to change to accommodate the range of new clients and have the cost make sense?

As he considered these questions, he thought back to an issue Leslie had raised in their last meeting: "What will the client say? In the end do they care about a CRL program? They are going to ask: 'Are they seeing around the corner for us?' And that is all that is going to matter." Polansky wondered how to ensure that Weber Shandwick's CRLs would be positioned to do this.

Exhibit 1 Interpublic Group Income Statement ($ millions, except share price)

	Dec03	Dec04	Dec05	Dec06
Sales	5,863.4	6,387.0	6,274.3	6,190.8
Cost of Goods Sold	5,128.1	5,787.1	6,118.4	5,849.5
Gross Profit	735.2	599.8	155.8	341.2
Operating Income Before Depreciation	735.3	599.9	155.9	341.3
Depreciation, Depletion & Amortization	204.1	185.1	168.8	173.6
Operating Profit	531.2	414.8	-12.9	167.7
Interest Expense	172.8	172	181.9	218.7
Non-Operating Income/Expense	-38.7	-17.6	114.2	195.5
Special Items	-587.7	-486.4	-92.7	-142.5
Pretax Income	-268	-261.2	-173.3	2
Total Income Taxes	254	262.2	81.9	18.7
Minority Interest	30.9	21.5	16.7	20
Income Before Extraordinary Items & Discontinued Operations	-552.9	-544.9	-271.9	-36.7
Extraordinary Items	0	0	0	0
Discontinued Operations	101.2	6.5	9	5
Net Income	-451.7	-538.4	-262.9	-31.7
Preferred Dividends	0	19.8	26.3	47.6
Available for Common	-552.9	-564.7	-298.2	-84.3
Savings Due to Stock Equivalents	0	0	0	0
Adjusted Available for Common	-552.9	-564.7	-298.2	-84.3
EPS (Primary)—Excluding Extra Items & Disc Op.	-1.43	-1.36	-0.7	-0.2
EPS (Primary)—Including Extra Items & Disc Op.	-1.17	-1.34	-0.68	-0.19
EPS (Fully Diluted)—Excluding Extra Items & Disc Op.	-1.43	-1.36	-0.7	-0.2
EPS (Fully Diluted)—Including Extra Items & Disc Op.	-1.17	-1.34	-0.68	-0.19
Dividends Per Share	0	0	0	0

Source: Standard & Poor's Research Insight, accessed January 22, 2008.

Exhibit 2 Interpublic Groups' Business Entities (2007)

Large-Scale Integrated Agencies

Draftfcb
Lowe Worldwide
McCann Worldgroup

Full-Service Domestic Agencies

Campbell-Ewald
Campbell Mithun
Deutsch
Hill Holiday
The Martin Agency
Mullen
Berenter Greenhouse & Webster
Avrett Free Ginsberg
Carmichael Lynch
Dailey & Associates
Fitzgerald & Company
Gillespie
Sloan Group
Gotham Inc
TM Advertising
Tierney Communications

Full-Service Outside the U.S.

Golin-Harris
Rivet
Marketel

--Specialist Firms--

Current Lifestyle Marketing	Public Relations
Carmichael Lynch Thorburn	Branding
FutureBrand	Branding
Jack Morton	Experiential Marketing
Momentum Worldwide	Experiential Marketing
Cassidy & Associates	Federal Gov't Relations and Public Policy
Financial Relations Board	Financial Communications
Adair Green Healthcare Communications	Healthcare Communications
Alchemy	Healthcare Communications
Regan Campbell Ward	Healthcare Communications
KRC Research	Market Research / Consulting
ID Media	Media Services
Initiative	Media Services
Magna Global	Media Services
Media Partnership Corp	Media Services
PIC-TV	Media Services
Newspaper Services of America	Newspaper Services
Analytici	One-to-One marketing/CRM
Hacker Group	One-to-One marketing/CRM
MRM Worldwide	One-to-One marketing/CRM
IPM	Outdoor advertising
Outdoor Services	Outdoor advertising
Carmichael Lynch Spong	Public Relations
DeVries	Public Relations
MWW Group	Public Relations
Rhoads Group	Public Relations
Rogers & Cowan	Public Relations
Slay PR	Public Relations
WeberShandwick	Public Relations
NAS Recruitment Communications	Recruitment
Reprise Media	Search Marketing
Graphic Orb Companies	Sports marketing
Octagon	Sports marketing
Bragman Nyman Cafarelli	Talent/Personality Management & Representation
PMK/HBH	Talent/Personality Management & Representation
Frank About Women	Women's Marketing
Women2Women Communications Group	Women's Marketing
Wahlstrom	Yellow Pages
KidCo	Youth Marketing
Tag Ideation	Youth Marketing

Digital Agencies

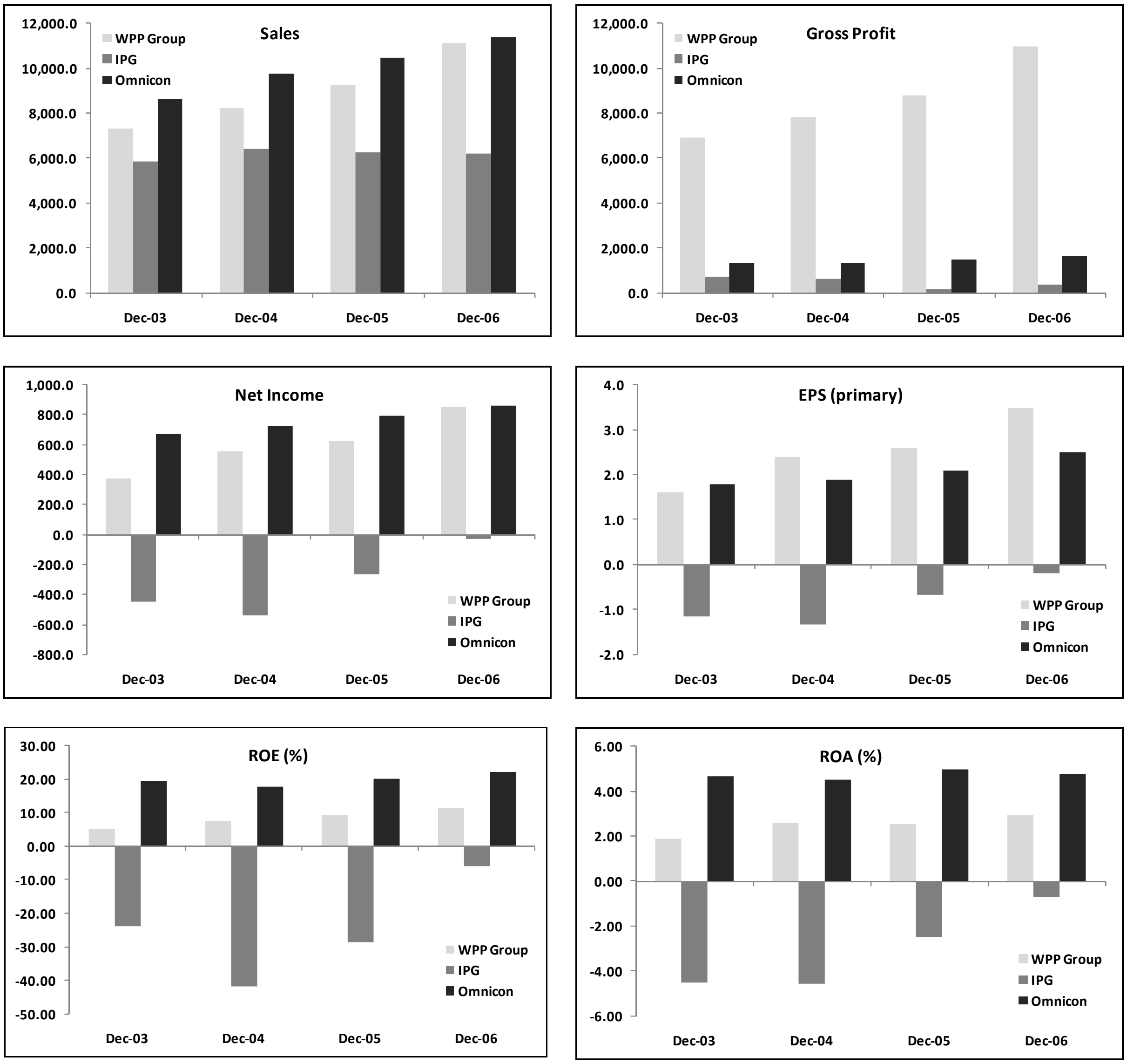
R/GA
Futures Marketing Group
Kaleidoscope
Innovations
Ansible

Multicultural Agencies

Abece—Hispanic
Accent Marketing—Hispanic
The Axis Agency—African American
Casanova Pendrill—Hispanic
IW Group—Asian-Pacific American
SiboneyUSA—Hispanic
Ten Communications—Asian American
Translation Consultation & Brand Imaging—Multi

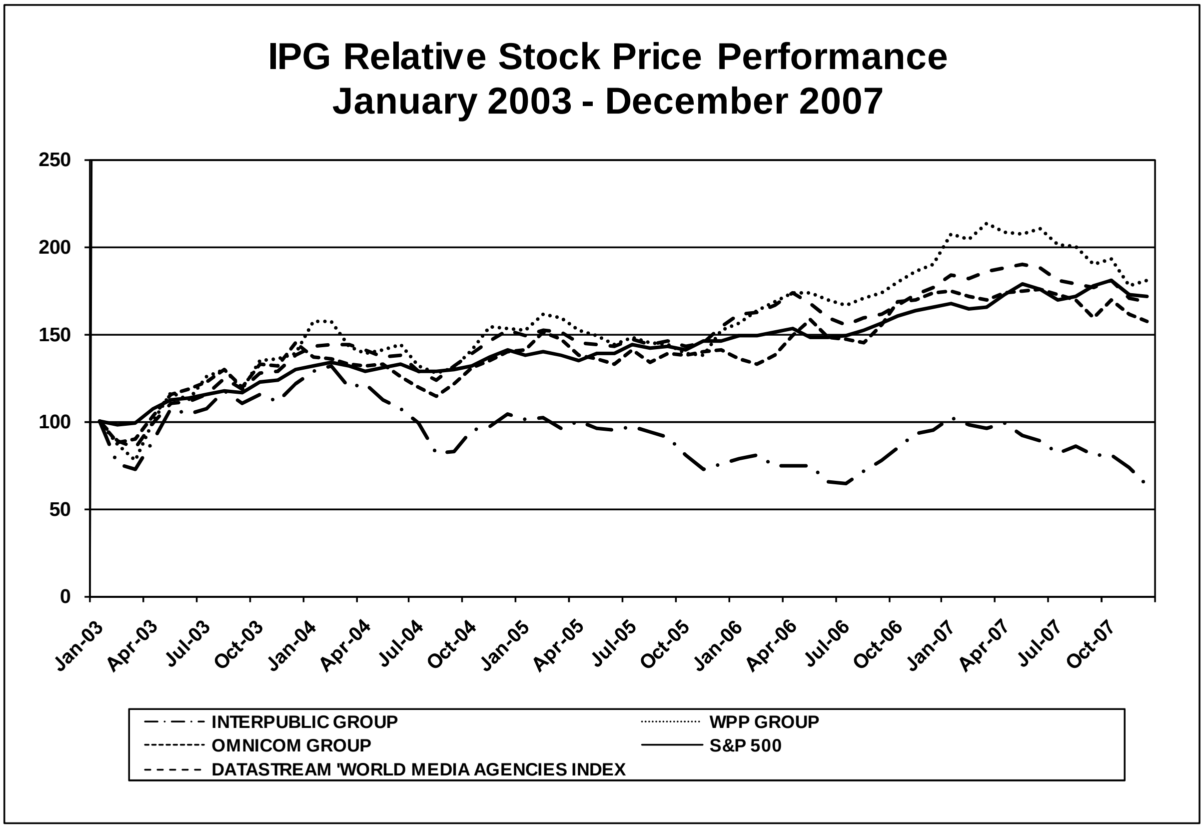
Source: Adapted from www.interpublic.com, accessed January 23, 2008.

Exhibit 3 Comparative Financial Data ($, except ROE and ROA)



Source: Compiled from Standard & Poor's Research Insight, accessed January 22, 2008.

Exhibit 4 IPG Relative Stock Price Performance (January 2003-December 2007)



Source: Thomson Financial's Datastream, accessed January 22, 2008.

Exhibit 5 Weber Shandwick Offices Worldwide (2007)

UNITED STATES

Kansas City	Washington, D.C.
Los Angeles	Atlanta
Miami	Austin
Minneapolis	Baltimore
New York	Boston/Cambridge
Orange County	Chicago
Portland	Dallas
San Francisco	Denver
Seattle	Detroit
Silicon Valley	Houston
St. Louis	Irvine

LATIN AMERICA

Argentina (Buenos Aires, Rosario)*
Brazil (Rio de Janeiro, Sao Paulo)*
Chile (Santiago)*
Mexico (Mexico City)*
Uruguay (Montevideo)*

ASIA PACIFIC

Australia (Sydney)
China (Beijing, Guangzhou, Hong Kong, Shanghai)
India (Bangalore, Mumbai, New Delhi)
Indonesia (Jakarta)
Japan (Tokyo)
Korea (Seoul)*
Malaysia (Kuala Lumpur)
Pakistan (Islamabad, Karachi, Lahore)*
Philippines (Manila)
Singapore (Singapore)
Taiwan (Taipei)
Thailand (Bangkok)

EUROPE, MIDDLE EAST, AND AFRICA

Algeria (Algiers)
Austria (Vienna)*
Azerbaijan (Baku)*
Bahrain (Manama)
Belgium (Brussels)
Bosnia & Herzegovina (Sarajevo)*
Bulgaria (Sofia)*
Burkina Faso (Ouagandougou)*
Congo Brazzaville (Brazzaville)*
Croatia (Zagreb)
Cyprus (Nicosia)*
Czech Republic (Prague)
Denmark (Hellerup)*
DRC (Kinshasa)*
Egypt (Cairo)
Estonia (Tallinn)*
Finland (Helsinki)*
France (Paris)
Gabon (Libreville)*
Germany (Berlin, Cologne, Frankfurt, Hamburg, Munich)
Greece (Athens)*
Hungary (Budapest
Iceland (Reykjavik)*
Ireland (Dublin)
Israel (Tel Aviv)
Italy (Milan, Rome, Turin)
Jordan (Amman)
Kenya (Nairobi)*
Kuwait (Safat)
Latvia (Riga)*
Lebanon (Beirut)
Lithuania (Vilnius)*
Macedonia (Skopje)*
(Antananarivo)*
Malawi (Blantyre)*
Morocco (Casablanca)
Netherlands (The Hague)
Niger (Niamey)*
Norway (Oslo)*
Oman (Ruwi)
Poland (Warsaw)
Portugal (Lisbon)
Qatar (Doha)
Romania (Bucharest)*
Russia (Moscow)*
Saudi Arabia (Jeddah, Riyadh)
Serbia & Montenegro (Belgrade)*
Sierra Leone (Freetown)*
Slovakia (Bratislava)*
Slovenia (Ljubljana)*
South Africa (Cape Town, Johannesburg)*
Spain (Barcelona, Madrid, Valencia)
Sweden (Stockholm)
Switzerland (Geneva, Zurich)
Syria (Damascus)*
Tanzania (Dar es Salaam)*
Tunisia (Tunis)
Turkey (Istanbul)*
Uganda (Kampala)*
Ukraine (Kiev)
United Arab Emirates (Abu Dhabi, Dubai)
United Kingdom (Aberdeen, Belfast, Cardiff*, Edinburgh, Glasgow, London, Manchester)
Madagascar*
Zambia (Lusaka)*

CANADA

Calgary	Toronto
Ottawa	Vancouver

Source: Company documents.

Note: The starred (*) references indicate affiliate offices.

Exhibit 6 Weber Shandwick Practice Areas (as of 2007)

Practices
Business Marketing
Consumer Marketing
Corporate Communications and Crisis and Issues Management
Financial Communications
Financial Services
Government Relations
Healthcare
Public Affairs
Technology
Travel and Lifestyle Marketing

Source: Company documents.

Exhibit 7 Weber Shandwick Specialties (as of 2007)

Specialties
Education
Broadcast services
Entertainment Marketing
Corporate Social Responsibility
Global Strategic Media
Interactive, Social and Emerging Media
Internal Communications
Issues & Advocacy Advertising
Litigation Support
Multicultural Communications
Recall Response
Reputation Management
Research
Sports Marketing
Visual Communications
Youth Marketing

Source: Company documents

Exhibit 8 Weber Shandwick Senior Management (2007)

	Leadership Team
Corporate Staff	CEO Chairman President Chief Reputation Strategist Senior Vice President, Human Resources Chief Business Development Officer Chief Financial Officer
Global Practice and Regional Leaders	
The Americas	Executive Vice President, Interactive, Social and Emerging Media Co-President, Global Consumer Marketing, and President, Weber Shandwick—Chicago President and COO, Weber Shandwick Public Affairs President, Weber Shandwick—Minneapolis Co-President, Global Consumer Marketing and President, Weber Shandwick—New York President, Health Public Affairs, Powell Tate/Weber Shandwick President, Weber Shandwick—California and Southwest Chairperson, U.S. Corporate Practice and President, Weber Shandwick—New England President, Global Healthcare Practice President, Global Technology Practice and President, Weber Shandwick—Northwest
Europe, Middle East and Africa	
	Chief Executive Officer, Weber Shandwick—U.K. & Ireland Chief Executive Officer, Weber Shandwick—Belgium Chief Executive Officer, Weber Shandwick—Continental Europe Chief Executive Officer, Weber Shandwick—Germany Managing Director, Japan President, Asia Pacific Chairman, Weber Shandwick—Asia Pacific

Source: Company documents.

Exhibit 9 CRL Accounts (December 2007)

Client Location	CRL Location	Additional CRL Responsibility
Dallas, Texas	Dallas	GM Dallas
Chicago, Illinois	Minneapolis, Minnesota	
Washington, D.C.	Minneapolis	
Bahamas	New York	
Boston, Massachusetts	Boston	
New Jersey	New York	
Oakland, California	San Francisco, California	
Washington, D.C.	Minneapolis	
Woonsocket, Rhode Island	Boston	
Augusta, Georgia	New York	
Reston, Virginia/Dallas, Texas	New York	Practice Lead, New York
St. Louis, Missouri	Minneapolis	
Detroit, Michigan	Detroit	
San Francisco	San Francisco	
San Francisco	Austin	
San Jose	San Francisco	
U.K.	U.K.	
Beijing	Hong Kong	
Minneapolis	New York	
U.K./Atlanta	New York	
New York	Chicago	
New York	New York	
New York	New York	New York
McClean, Virginia/ Hackettstown, New Jersey/ Nashville, Tennessee	Chicago	
Seattle	Seattle	
Washington, D.C.	Chicago	
Cambridge, Massachusetts/New York	New York	
Vevey, Switzerland	Geneva, Switzerland	
Vevey, Switzerland	Geneva, Switzerland	
Toronto, Canada	Toronto/	
Summit, New Jersey	New York	
Boston, Massachusetts	Boston	
Tokyo, Japan	Tokyo	
Philadelphia, Pennsylvania/Denver, Colorado/Washington, D.C.	Chicago	
New Jersey/Connecticut	New York	
Chicago	Chicago	
San Jose	Dallas (commutes 2x month)	
Basking Ridge, New Jersey	Boston	

Source: Company documents.

Endnotes

1 "AGENCY 2003 - PR Agency of the Year—Best of the rest," *Marketing*, December 18, 2003, accessed via Factiva, December 5, 2007.

2 "AGENCY 2003 - PR Agency of the Year—Best of the rest," *Marketing*, December 18, 2003, accessed via Factiva, December 5, 2007.

3 Laura Q. Hughes, "PR firms spin to services that are recession-proof: Hard times force agencies to launch fresh practices, find new clients," *Crain's New York Business*, June 9, 2003, vol. 19, No. 23, accessed via Factiva, December 5, 2007.

4 Laura Q. Hughes, "PR firms spin to services that are recession-proof: Hard times force agencies to launch fresh practices, find new clients," *Crain's New York Business*, June 9, 2003, vol. 19, No. 23, accessed via Factiva, December 5, 2007.

5 "PR Hiring Picks Up, But Cautious Optimism Prevails," *PR News*, July 12, 2004, vol. 60, Iss. 27, accessed via Factiva, December 5, 2007.

6 "Get a Deep Insight into the Public Relations Industry," *Business Wire*, October 12, 2007, accessed via Factiva, December 5, 2007.

7 Lisa Sanders, "Is PR 'marketing light'? Not at conglomerates: As part of holding companies, public relations shops tap into new resources, opportunities," *Advertising Age*, September 30, 2003, vol. 73, No. 79, accessed via Factiva, December 5, 2007.

8 According to the Council of Public Relations Firms. See Lisa Sanders, "Is PR 'marketing light'? Not at conglomerates: As part of holding companies, public relations shops tap into new resources, opportunities," *Advertising Age*, September 30, 2003, vol. 73, No. 79, accessed via Factiva, December 5, 2007.

9 Lisa Sanders, "Is PR 'marketing light'? Not at conglomerates: As part of holding companies, public relations shops tap into new resources, opportunities," *Advertising Age*, September 30, 2003, vol. 73, No. 79, accessed via Factiva, December 5, 2007.

10 *PRWEEK* Agency Business Report 2007, April 23, 2007, accessed via Factiva, February 4, 2007.

11 Blackshaw, cited in Kimberly Krautter, "5 YEARS OF INNOVATION—The Best of Inventions," *PR Week US*, November 13, 2003, accessed via Factiva, December 5, 2007.

12 "Op-Ed: PR must adapt to social media era," *PR Week US*, December 4, 2006, accessed via Factiva, December 5, 2007.

13 See http://holmesreport.com/, accessed January 26, 2008.

14 "Market Focus: Agency innovators challenge status quo," *PR Week US*, August 27, 2007, accessed via Factiva, December 5, 2007.

15 Sir Martin Sorrell, head of the advertising group WPP, cited in "PR industry profits boosted by MySpace phenomenon," *Guardian Unlimited*, October 19, 2007, accessed via Factiva, December 5, 2007.

16 Senior Vice President of Media Relations at Verizon, cited in "Cover Story: Today's media relations rules," *PR Week US*, September 4, 2006, accessed via Factiva, December 5, 2007.

17 "Interpublic Group of Companies Company Profile," *Datamonitor,* October 22, 2007.

18 Brand Republic Jobs, "Weber Shandwick," Brand Republic Jobs Web site, http://jobs.brandrepublic.com/careerfile/detail/1119/careers_with_weber-shandwick, accessed December 5, 2007.

19 In 2007, Weber Shandwick provided PR services to the Harvard Business School.

[20] Weber Shandwick International, "Practices," Weber Shandwick Web site, http://www.webershandwick.com/Default.aspx/Capabilities, accessed December 3, 2007.