



## PUBLICIS GROUPE

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### PRESS RELEASE

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## **PUBLICIS GROUPE FORMS NEW MEDIA MANAGEMENT BOARD**

### **Collaborating as Publicis Groupe Media, the Board Will Seek to Strengthen the Offering of Starcom MediaVest Group and ZenithOptimedia Brands**

**PARIS, FRANCE, September 9, 2004**—Publicis Groupe today announced that it is forming a new Management Board to fortify its media operations, including the two global networks of Starcom MediaVest Group and ZenithOptimedia. The Board will operate under the moniker Publicis Groupe Media (PGM), with a mission to preserve and strengthen its multiple media brands.

*“Publicis Groupe is home to two of the most powerful media networks in the world, both of which work in service to many of the world’s most dominant brands,”* said Maurice Lévy, chairman and CEO of Publicis Groupe. *“Our opportunity is to constantly fortify these separate networks with the strongest competitive advantages, enabling them to serve their clients with unparalleled talent, tools and resources. While the two global networks will remain totally independent and continue to focus on providing outstanding service to their clients, the members of Publicis Groupe Media will carefully evaluate and pursue Groupe-level investments and improvements that simultaneously empower each network with greater resources, talent and tools, while also preserving the exclusive and proprietary nature of our clients.”*

PGM will be led by **Roger Haupt**, chief operating officer of Publicis Groupe, and will also include **Jack Klues**, chief executive officer of SMG; **Steve King**, chief executive officer of ZenithOptimedia; **Adrian Sayliss**, global chief financial officer of ZenithOptimedia; and **Frank Voris**, chief financial officer of SMG. **Renetta McCann**, chief executive officer of SMG/Americas; **Rich Hamilton**, chief executive of ZenithOptimedia/Americas; **Mark Cranmer**, chief executive of SMG Europe/Middle East/Africa, and **Rishad Tobaccowala**, head of the SMG Next practice also become members of Publicis Groupe Media.

Haupt emphasized that PGM is not a new company, but rather a Board that will focus on constantly improving Publicis Groupe’s media offering. *“What PGM will not do is merge together our global networks,”* he added. *“We remain committed to a multiple brand strategy and we intend to fortify the ability of those networks to provide unparalleled service to clients. In pursuit of market strength and greater client benefits, the Board will continue to carefully explore opportunities to streamline investments that support the core media product, including non-proprietary data acquisition and technology that is not client-specific, and which ensure that every Starcom MediaVest Group and ZenithOptimedia asset offers the best available tools and systems.”*

The Board will also evaluate which, if any, backroom operations (administrative...) can be consolidated to generate efficiencies. It will also explore maximizing investments in improved tools and modelling products that will provide greater accountability to clients.



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### **Managing Conflicts Is a Priority**

A top priority for PGM is to carefully manage and protect any conflicting assignments.

*“Whatever improvements we seek, we will work with key clients in each market to insure that the steps we take simultaneously generate measurable client benefits such as a stronger media offering, greater tools and talent in service to client brands, plus more measurable ROI. This, while also protecting the confidential nature of our clients’ businesses,”* said Haupt.

### **Diversified Media Services**

According to Haupt, PGM will also encourage the sharing of the many diversified service business units that exist within ZenithOptimedia and SMG. These include Relay Sports and Events Marketing, SMG Directory Marketing, Play, Sponsorship Intelligence and Ninah Consulting, the brand investment and accountability consulting unit of ZenithOptimedia. These businesses will be available to all brands within the PGM umbrella and the broader family of Publicis Groupe companies, and all will report into Voris.

*“Our diversified service operations connect our clients with their customers in non-traditional and emerging contact environments that are increasingly vital to the delivery of effective marketing messages,”* said Haupt. *“As stand-alone businesses, these companies deliver new revenue streams to our organization by keeping clients in touch with the ever-elusive and empowered consumer.”* Some of the diversified brands that exist within SMG and ZenithOptimedia will remain exclusive to their respective networks because they are inextricably linked to clients that are shared with Starcom, MediaVest or ZenithOptimedia. These include ZenithOptimedia Direct, SMG IP, Tapestry (Multicultural) and Halogen Direct.

### **SMG and ZenithOptimedia Brand Leadership**

At the brand level, leadership across the two networks remains the same. The SMG regional CEOs include Renetta McCann, The Americas; Mark Cranmer, Europe/Middle East/Africa; Blaise D’Sylva, Northeast Asia; D. Sriram, Southeast Asia/India; and Martha Marin, Latin America. Laura Desmond remains chief executive officer of MediaVest USA and Dennis Donlin continues as chief executive officer of GM Planworks in Detroit. Both report into McCann.

At ZenithOptimedia, Steve King remains global chief executive officer, a role he assumed in March, and Adrian Sayliss will continue to provide financial oversight. All other ZenithOptimedia regional leadership roles will remain the same: Rich Hamilton continues to serve as chief executive of ZenithOptimedia/Americas, while Phil Talbot continues as chief executive officer of the Asia/Pacific region. John Taylor will be global client services director for ZenithOptimedia.

### **Market-By-Market Improvements**

According to Klues, the most immediate focus of PGM will concentrate on several markets that have already been identified. *“We have been targeting strategic improvements, primarily in some key Western European countries, and we intend to make some investments in select core markets relatively quickly,”* he said. *“And while we will never combine our buying strength in the U.S., where our companies already enjoy sufficient clout to provide optimum pricing to clients, we will explore the viability of such a move in other markets where industry practice allows and where clients can benefit from fortified negotiating power. Again, we will pursue these opportunities with*



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*total transparency to our clients and only after they have been satisfied that confidentiality has been preserved.”*

Steve King commented that the *“PGM structure will allow us the framework to improve the breadth and strength of our product offering without diluting the management and cultures behind the media networks”*.

*“The communications landscape, under the irresistible force of new technologies, is developing exponentially and its fragmentation renders building a direct relationship with consumers more and more complex; thus the importance of making consumer connections becomes as vital as the content of our clients’ advertising messages,”* said Lévy. *“The media agencies, within Publicis Groupe, fulfil an essential role in the constant search of a connection, a contact with consumers, and the strengthening of that relationship. Our intention is to maintain our lead and reinforce our position to make our media agencies simply the best partners of our clients in this area.”*

**Starcom MediaVest Group** is a full service media company ([www.smvgroup.com](http://www.smvgroup.com)). SMG ranks among the world's largest brand communications groups with a global staff of more than 4,800 contact architects. SMG's network of 110 offices in 76 countries fuels brand-building results for many of the world's leading marketers. In addition to full service media services agencies Starcom, MediaVest and other regional brands, the holding company operates several diversified units that help clients master the dynamic contact environment and changing consumer landscape. These companies include Relay Sports and Event Marketing, SMG Directory Marketing, Halogen Direct, Tapestry (multicultural), and SMG Entertainment.

**ZenithOptimedia** is one of the world's leading global media services agencies with 162 offices in 59 countries and 4 000 people around the world. ZenithOptimedia is committed to delivering to clients the best possible return on their advertising investment.

This approach is supported by a unique system for strategy development and implementation, The ROI Blueprint. At each stage, proprietary ZOOM (ZenithOptimedia Optimisation of Media) tools have been designed to add value and insight.

The ZenithOptimedia Village enables the widest range of communications opportunities and skills to be brought together to ensure the most powerful connections are made with consumers.

**Publicis Groupe SA** (Euronext Paris: : FR0000130577, NYSE: PUB) is the world's fourth largest communications group, as well as world leader in media counsel and buying. Its activities span 109 countries on six continents.

Groupe activities cover **advertising**, through three autonomous global advertising networks: Leo Burnett Worldwide, Publicis Worldwide, Saatchi & Saatchi Worldwide, as well as through its two multi-hub networks Fallon Worldwide and Bartle Bogle Hegarty, 49%-owned ; **media counsel and buying** through two worldwide networks ZenithOptimedia and Starcom MediaVest Group; **marketing services** and specialized communications including direct marketing, public relations, corporate and financial communications, multicultural and healthcare communications.

Web sites: [www.publicis.com](http://www.publicis.com) and [www.finance.publicis.com](http://www.finance.publicis.com)

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