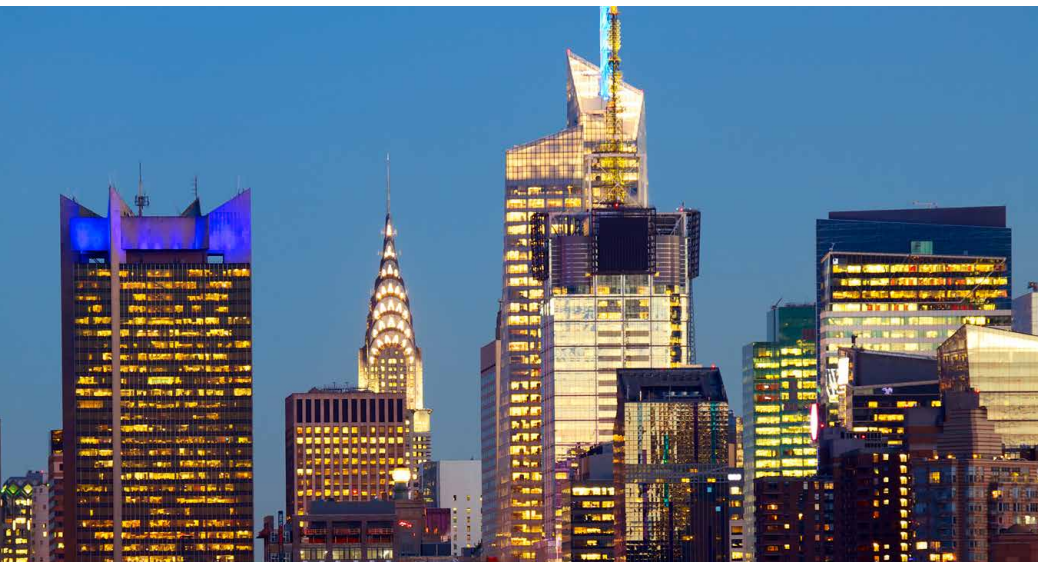


# Q1/2016 **R3View**



*Welcome to the Q1 2016 R3VIEW, our regular quarterly report on the marketing communications industry. In this issue, we look at the biggest stories in the industry, the Q1 estimates for the holding groups, CMOs and CEOs on the move, along with the Q1 M&A and New Business results.*

## The Biggest Stories

**Carat Suggests Positive Trends for 2017 Ad Spend** – The first agency in 2016 to release 2017 estimates, Dentsu Aegis' Carat, sees good growth from digital. Based on data received from 59 markets across the Americas, Asia Pacific and EMEA, Carat predicts advertising spends will reach US\$538 billion in 2016, a 4.5% increase. For 2017, Carat predicts another 4.5%. This is ahead of most estimates for growth in the global economy.

Digital is the biggest driver, especially mobile (+37.9%), online video (+34.7%), and social media (+29.8%) in 2016. Carat says digital will account for 27% of ad spend in 2016 and 29.3% in 2017, reaching US\$161 billion globally.

In 2015, all regions reported positive growth, from Western Europe at 2.8%, 4.3% in North America, 3.6% in Asia Pacific and Latin America at +11%. Regional confidence is predicted to continue in most regions in 2016, despite volatility in some individual markets.

**JWT Changed a CEO** – Gustavo Martinez was replaced by longtime WPP and Grey staffer Tamara Ingram, in what their holding group's CEO called 'Guilty in the Court of Public Opinion' following a sexual harassment charge from one of his direct reports. As expected, the trade press had a field day with this story, but we doubt it's going to have any long-term repercussions. Read more on our comments [here](#).

R3 is a leader in global, regional and local consulting on improving the effectiveness and efficiency of marketers and their agencies. We work with nine of the world's top twenty marketers including Coca-Cola, Unilever, AB InBev, MasterCard, Mercedes Benz, Johnson & Johnson, Samsung and Kimberly Clark.

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**The Trend of the Double-Titled Agency Leader** – As was noted this quarter at Dentsu and also Publicis Groupe, more and more senior executives are being asked to do double duty and take on additional responsibilities. The central structures of the Holding Groups have by and large been lean already, but with this new trend, more work is in store for the individual agency line managers. To read more, click [here](#).

**R3 Finished Another China AgencyScope** – Consistently our largest project in China, we completed interviews with over 300 marketing leaders to gain insight into their Creative, Media, Digital, and Marketing Services agencies. Now in its sixth wave, and the only study of its kind in China, we profile more than 900 relationships. China is changing quickly – Digital and Social are now center of gravity for so many companies, and marketers are actually building more long-term strategic relationships. We couldn't complete this work without our long-term partnership with SCO-PEN. To read more, click [here](#).

## The Five Digital Demands Facing Global Marketers

In a new publication called “AdTech 40,” this quarter we profiled 40 of the best innovations in digital and technology in the marketing and advertising sector. We presented cases from six continents including leading work from Coca-Cola, Samsung, Unilever, AB InBev and others – and in the process, we identified The Five Digital Demands that are global trends in this space:

- 1 Tech Must Transcend Borders** – 30% of the campaigns were global, and some, such as MasterCard's “Priceless Engine” drove a 16% lift in GDV across multiple markets.
- 2 Engagement is King** – Almost half of all cases were focused on engagement, few more than Tesla's new Retail Experience tool that drove sales 85%.
- 3 Mobile First and Mobile Sustainable** – Mobile will account for a quarter of total media spend this year, and cases such as Taco Bell's mobile app that drove 20% increase in average check are a great example.
- 4 The Agency Model is Shifting** – Marketers are moving away from AORs to collaboration with vendors, publishers, and agencies – Coca-Cola's Lyric Coke, which drove sales up 10%, is one of the strongest examples of this trend.
- 5 Data Drives Everything** – As the Internet of Things connects more devices, people want an even more personalized experience. The Economist drove \$18m in incremental sales through a smart data driven campaign.



**Melissa Lea**  
Managing Director, USA

**We also appointed new US leadership** - With this quarter's launch of R3's **AdTech 40**, the demand for independent counsel on Digital has never been greater. Against this backdrop, R3 is proud to appoint Melissa Lea as Managing Director for us in the US. Originally trained and practicing as a lawyer, Melissa was formerly the CEO of an award-winning, cross-channel digital media agency that served clients on a local, national, and international basis. She also brings experience working at Grey, MullenLowe and Arnold. From a standing start 18 months ago, R3 now has seven people in the US in Boston, New York, Miami, Atlanta, Los Angeles, and San Francisco.

## Holding Company Earnings

Q1 of 2016 was on the whole a positive result for most of the Holding Groups, showing good growth in the first quarter of this "quadrennial" year – combining the US elections and the Olympics.



**Publicis Groupe (PA:PUB)** - Publicis Groupe's revenue for the first quarter 2016 totaled €2.2b - up 8.9% from same period last year. This showed an organic growth of 2.9% YoY.

Reported organic growth began to benefit from the inclusion of revenues associated with Sapient, which has delivered a higher than 10% organic growth. In his Q1 briefing, CEO Maurice Lévy made it clear that 55% of their revenue is now derived from Digital, which has seen a 7.6% organic growth. It should be noted that the Healthcare group performed well over the period. Media activities remained solid, a similar trend to Q4 2015.

Publicis Groupe is the one holding company facing the most headwinds given some significant account losses in 2015 paired with general budget cuts from its largest client, P&G. The loss of P&G will commence part way through the quarter; with the full impact in Q3 2016. However, Lévy is still expecting modest increases in organic growth for full 2016.

### Publicis Groupe Financial Statement (€m)

|             | 1Q 2016 | 1Q 2015 | CHANGE % |
|-------------|---------|---------|----------|
| Revenue     | 2,291   | 2,103   | 8.9%     |
| Stock Price | € 61.71 | € 70.65 | -12.7%   |

### Publicis Groupe Revenue by Region (€m)

|                    | 1Q 2016      | 1Q 2015      | CHANGE %    |
|--------------------|--------------|--------------|-------------|
| Europe             | 631          | 588          | 7.3%        |
| North America      | 1,301        | 1,152        | 12.9%       |
| Asia Pacific       | 230          | 221          | 4.1%        |
| Latin America      | 71           | 90           | -21.1%      |
| Middle East Africa | 58           | 52           | 11.5%       |
| <b>Total</b>       | <b>2,291</b> | <b>2,103</b> | <b>8.9%</b> |



**Interpublic (NYSE:IPG)** - Management of Interpublic reported strong first quarter performance.

First quarter 2016 revenue was \$1.71 billion, compared to \$1.68 billion in the first quarter of 2015, with an organic revenue increase of 6.7% compared to the prior-year period. This was comprised of an organic increase of 8.3% in the US and 4.3% internationally.

CEO Roth remains cautious, citing difficulties in markets such as Brazil and Russia, but the company's heavyweight status in the US is proving a benefit. The US is by far the world's most thriving economy at the moment and IPG has done well in the recent round of media reviews, winning Coca-Cola in the US and Johnson & Johnson globally. Its media business outside the US remains a worry, with both UM and Initiative lagging their rivals in some markets, the UK in particular.

### Interpublic Financial Statement (\$m)

|                    | 1Q 2016 | 1Q 2015 | CHANGE % |
|--------------------|---------|---------|----------|
| Revenue            | 1,742.0 | 1,676.0 | 3.9%     |
| Operating Expenses | 1,721.1 | 1,668.2 | 3.1%     |
| Operating Income   | 20.9    | 7.8     | 168%     |
| Operating Margin   | 1.2%    | 0.5%    |          |
| Net Income         | 2.7     | (4.2)   | 164%     |
| Stock Price        | 22.95   | 21.59   | -6%      |

### Interpublic Revenue by Region (% of Total Revenue)

|               | 1Q 2016 1Q | 1Q 2015 |
|---------------|------------|---------|
| Consolidated  | 100%       | 100%    |
| Domestic      | 63%        | 60%     |
| International | 37%        | 40%     |

# OmnicomGroup

**Omnicom (NYSE:OMC)** - Omnicom's revenue has increased 0.9% to US\$3.499m in the first quarter 2016. The components of the change in revenue included an increase in organic growth of 3.8%, a decrease in revenue from acquisitions, net of disposition of 0.1% and decrease of revenue from the negative impact of foreign exchange rates of 2.8% when compared to 2015.

The change in organic revenue in the first quarter of 2016 as compared to the first quarter of 2015 in four fundamental disciplines was as follows: advertising (including media) increased 7.9%, CRM decreased 0.7%, public relations decreased 0.9% and specialty communications increased 2.2%.

## Omnicom Financial Statement (\$m)

|                    | 1Q 2016 | 1Q 2015 | CHANGE % |
|--------------------|---------|---------|----------|
| Revenue            | 3,499.1 | 3,469.2 | 0.9%     |
| Operating Expenses | 3,078.7 | 3,064.2 | 0.5%     |
| Operating Income   | 392.1   | 377.7   | 3.8%     |
| Operating Margin   | 11.2%   | 10.9%   |          |
| Net Income         | 236.3   | 229.8   | 2.8%     |
| Stock Price        | \$83.23 | \$75.88 | 9.7%     |

## Omnicom Revenue by Region (Revenue \$m)

|                     | 1Q 2016 | 1Q 2015 | CHANGE % |
|---------------------|---------|---------|----------|
| <b>AMERICAS</b>     |         |         |          |
| North America       | 2,123.2 | 2,067.2 | 2.7%     |
| Latin America       | 75.3    | 83.8    | -10.1%   |
| <b>EMEA</b>         |         |         |          |
| Europe              | 889.7   | 901.3   | -1.3%    |
| Africa and Mid East | 56.6    | 60.1    | -5.8%    |
| <b>ASIA PACIFIC</b> | 354.3   | 356.8   | -0.7%    |

# WPP

**WPP (LSE:WPP, NASDAQ:WPPGY)** - WPP's media agencies fared well with last year's reviews providing some support for growth, and growth of the company's Xaxis business likely helps that division on a gross as well as net basis, too. Wins and losses appeared relatively balanced on the creative side of the business during 2015, so underlying growth for the company will likely be largely dependent upon driving new revenues from existing accounts by expanding the scope of those relationships. Management has noted that the first two months of the quarter grew well over +3%; the analyst's finance model incorporates +3.7% organic growth for the full quarter at this time.

This quarter, WPP announced that it had acquired Communications Media, Inc. "CMI", one of the largest healthcare media agencies in the US. CMI's unaudited revenues were US\$38 million as of December 31, 2015. Its clients include 10 of the top 20 pharmaceutical advertisers in the United States and overall it represents 340 brands among 51 clients. CMI employs more than 210 people and is based in King of Prussia, PA, with offices in New York, Philadelphia, and Pennsauken, NJ. It was founded in 1989. This acquisition continues WPP's strategy of investing in important disciplines, such as pharmaceutical and healthcare, and markets, such as the United States.

## WPP Financial Statement (£m)

|                    | 1Q 2016<br>(ESTIMATED) | 1Q 2015   | CHANGE % |
|--------------------|------------------------|-----------|----------|
| Revenue            | 2,929.1                | 2,783.0   | 5.25%    |
| Net Sales          | 2,614.0                | 2,419.0   | 8.06%    |
| <b>Stock Price</b> |                        |           |          |
| - LSE              | £1,598.19              | £1,461.55 | 9.3%     |
| - Nasdaq           | \$116.43               | \$110.59  | 5.3%     |

## WPP Net Sales by Region (£m)

|                  | 1Q 2016 Q1<br>(ESTIMATED) | 1Q 2015 | CHANGE % |
|------------------|---------------------------|---------|----------|
| North America    | 996                       | 915     | 8.85%    |
| United Kingdom   | 370                       | 350     | 5.71%    |
| W Cont. Europe   | 494                       | 462     | 6.93%    |
| AP, LA, AME, CEE | 754                       | 692     | 8.96%    |
| Total Group      | 2,614                     | 2,419   | 8.06%    |





## HAVAS (PA:HAV)

Consolidated group revenue of Havas for the first quarter of 2016 was €506m, up from €469m in Q1 2015, representing reported growth of 7.9% and organic growth of 3.4%.

Among the regions, Europe delivered organic growth of 4.1% and 50% of the total revenue. North America had a revenue growth slowdown to 1.2% which was in line with the management's forecast. Creative activities and health-care communications businesses kept up their constant growth. Asia-Pacific and Africa reported solid organic growth of 4.3%. China and Australia emerged as the biggest contributors. Despite a difficult macro-economic environment, Havas reported an 11.4% organic growth surge in LATAM, driven mainly by Brazil and Argentina which both won many new clients.

Yannick Bolloré, Havas Chairman and CEO stated that they are satisfied with the organic growth achieved this quarter. All their regions delivered growth despite high baselines, especially in the UK and US. The group management reiterated full year guidance of 2%-3%.

### Havas Financial Statement (€m)

|             | 1Q 2016 | 1Q 2015 | CHANGE % |
|-------------|---------|---------|----------|
| Revenue     | 506     | 469     | 7.9%     |
| Stock Price | € 6.90  | € 6.79  | 1.6%     |

### Havas Revenue by Region (€m)

|               | 1Q 2016 | 1Q 2015 | CHANGE % |
|---------------|---------|---------|----------|
| Europe        | 252     | 224     | 12.5%    |
| North America | 187     | 178     | 5.1%     |
| APAC & Africa | 38      | 36      | 5.6%     |
| LATAM         | 29      | 31      | -6.5%    |
| Total Group   | 506     | 469     | 7.9%     |

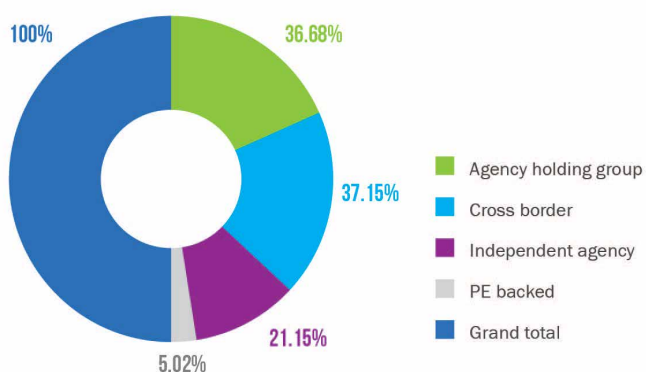
## 90 days of M&A

This was an active period for M&A with \$1.8b across 45 purchases marking an increase over the first quarter last year. Some of the names may shock casual observers with two Chinese conglomerates with no agency experience ranking amongst the top six. IBM, now the world's largest digital agency, also acquired three targets, including the US based Resource Inter-active. See the full list of wins below.

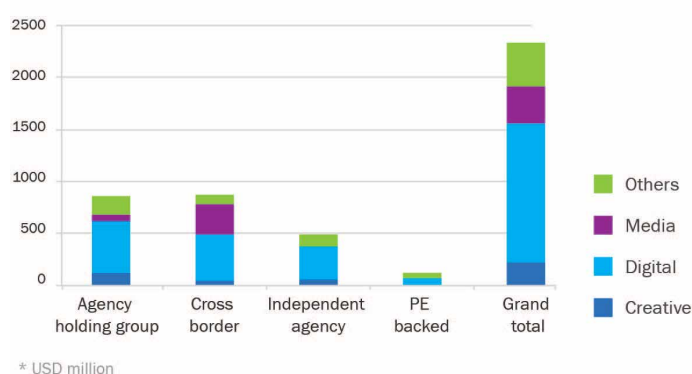
### 2016 HOLDING COMPANY M&A LEAGUE Global / Q1 2016

| RANK THIS MONTH | RANK LAST MONTH | HOLDING GROUP                | RECENT ACQUISITIONS  | TOTAL SALES VALUE (US\$M) | NUMBER OF DEALS |
|-----------------|-----------------|------------------------------|--|---------------------------|-----------------|
| 1               | 1               | Nantong Metal Forging Group  | All Ways Advertising (亿家晶视), Wezonet (北京维桌), Run Ad (上海广润)   | 371                       | 3               |
| 2               | 2               | IBM                          | Aperto, Resource/Ammirati, ecx.io  | 245                       | 3               |
| 3               | 3               | WPP                          | Acertys, Vinyl-I, Millward Brown Denmark ApS, Mitu, Grupo Máquina, Conrad Caine GmbH, ArcTouch, The Lathe, 3yz Marketing Digital Ltda, Analytics Quotient, TSE Consulting SA, Potato, Viscira, CMI | 235                       | 14              |
| 4               | 5               | Dentsu                       | Grip, Navegg, Alesport Group, Achtung!, Barnes, Catmur & Friends, Adexpres Group, Cardinal Path, Flock, Darwin, Merdeka LHS  | 210                       | 9               |
| 5               | 13              | Merkle                       | DBG, Comet Global Consulting   | 140                       | 2               |
| 6               | 4               | Zhejiang Jinhua Electric Co. | Xinli Media (信立传媒)   | 101                       | 1               |
| 7               | -               | RNTS Media                   | Heyzap, Inneractive  | 91                        | 2               |
| 8               | 6               | Stagwell Group               | Code and Theory  | 74                        | 1               |
| 9               | 7               | St Ives Group                | The App Business   | 59                        | 1               |
| 10              | 8               | Interpublic                  | Mubaloo, The Brooklyn Brothers   | 59                        | 2               |
| 11              | -               | Nielsen                      | Pointlogic   | 56                        | 1               |
| 12              | 15              | Publicis Groupe              | MercerBell, Vertiba, Venus Communications  | 49                        | 3               |
| 13              | 9               | Hakuhodo DY Holdings         | Ideo   | 42                        | 1               |
| 14              | -               | Searchlight Capital Partners | 160over90  | 42                        | 1               |
| 15              | 10              | Deloitte Digital             | Heat   | 42                        | 1               |
|                 |                 |                              |  | <b>1,816</b>              | <b>45</b>       |

#### TOTAL PERCENTAGE OF SALES VALUE BY DEAL TYPE



#### TOTAL SALES VALUE BY AGENCY TYPE





# New Business League

Amongst creative and digital agencies through the first three months of 2016, Omnicom's DDB led the way on the back of the Time Warner US win and more than 80 others around the world. In close second is Ogilvy, picking up Target in the US, but losing Claro Mobile in Brazil. The fastest mover this month is Anomaly, off the back of their Campbell's win. For Media agencies, WPP's MediaCom narrowly led the way off the back of the global Sony review and Pfizer in Mexico. GroupM followed in second through the US Target realignment with OMD ranked third with 100 wins, including Sony Music.

## 2016 CREATIVE AGENCIES NEW BUSINESS LEAGUE

Global /Q1 2016

| RANK THIS MONTH | RANK LAST MONTH | AGENCY             | RECENT WINS  | ESTIMATED YTD WIN REVENUE (USD \$ M) | RECENT LOSSES                | ESTIMATED YTD WIN REVENUE (USD \$ M) | NUMBER OF WINS |
|-----------------|-----------------|--------------------|--|--------------------------------------|------------------------------|--------------------------------------|----------------|
| 1               | 5               | DDB                | Time Warner US, Jeep North America, Foodstuffs New Zealand Project       | 49.1                                 | HPB Singapore                | 47.8                                 | 88             |
| 2               | 1               | Ogilvy             | Target US, Quizlet US Project, Clorets Gum Global, Hasbro Brazil         | 55.4                                 | Claro mobile Brazil          | 41.0                                 | 174            |
| 3               | 4               | MullenLowe         | USAA US, Union Investment Germany, Viacom18 India                        | 36.6                                 | Subway Brazil                | 36.1                                 | 19             |
| 4               | 2               | VML                | Wendy's US, Nespresso Brazil, Raízen y Shell Brazil                      | 35.5                                 |                              | 35.5                                 | 3              |
| 5               | -               | Anomaly            | Campell Soups Brands US, Freeview UK                                     | 32.9                                 |                              | 32.9                                 | 3              |
| 6               | 3               | TBWA               | McDonald's Argentina, Virgin Mobile Australia, Foxtel Australia          | 38.3                                 | Smyths Toys UK               | 31.4                                 | 36             |
| 7               | 10              | Cheil Worldwide    | Logitech India, Coca-Cola India Project.                                 | 16.9                                 | Pfizer Korea                 | 16.4                                 | 61             |
| 8               | 6               | Y&R                | Premier League UK, Chanel UK, Microsoft New Zealand Project              | 16.2                                 | Pick n Pay South Africa      | 14.2                                 | 54             |
| 9               | 13=             | McCann Worldgroup  | Mr Kipling UK, Smyths Toys UK, Tiger Beer Taiwan                         | 13.3                                 | VIP India                    | 12.7                                 | 121            |
| 10              | 12              | Isobar             | China FMCG Client  | 11.4                                 |                              | 11.2                                 | 62             |
| 11=             | 7=              | Talent Marcel      | Claro mobile Brazil  | 10.0                                 |                              | 10.0                                 | 1              |
| 11=             | 7=              | Commonwealth       | Chevrolet Brand US   | 10.0                                 |                              | 10.0                                 | 1              |
| 11=             | 7=              | Energy BBDO        | LG G5 US Project   | 10.0                                 |                              | 10.0                                 | 1              |
| 14              | 13=             | FCB                | Fiat/Chrysler US Project, easyJet Italy, Chili's Mexico                  | 9.1                                  | Gruppo Campari Brands Brazil | 8.6                                  | 13             |
| 15              | -               | Saatchi & Saatchi  | Walmart - Asda UK, Vinomofu Australia, Mondelez (Gum and Candy) China    | 11.1                                 | Union Investment Germany     | 7.3                                  | 14             |
| 16              | -               | Wieden & Kennedy   | Samsung Mobile Project US, Southern Comfort US, The Atlantic US Project  | 7.2                                  |                              | 7.2                                  | 5              |
| 17              | 22              | Dentsu             | Unilever Brands & Digital Philippines, Red Bull (Digital) India          | 7.7                                  | Cremica India                | 6.8                                  | 32             |
| 18              | 15              | McGarryBowen       | Monster.com Europe   | 6.0                                  |                              | 6.0                                  | 3              |
| 19=             | 17              | CP+B               | Betstars UK, Hershey US, Jose Cuervo US, B.blend Brazil, Bravecto Brazil | 5.8                                  |                              | 5.8                                  | 5              |
| 19=             | 19=             | J. Walter Thompson | Jetstar Australia, USO US, Dicos China Project                           | 12.6                                 | Brand USA Global             | 5.8                                  | 91             |
|                 |                 |                    |  |                                      |                              | 356.6                                | 787            |

## 2016 MEDIA AGENCIES NEW BUSINESS LEAGUE

### Global / Q1 2016

| RANK<br>THIS<br>MONTH | RANK<br>LAST<br>MONTH | AGENCY                     | RECENT WINS   | ESTIMATED YTD<br>WIN REVENUE<br>(USD \$ M) | RECENT LOSSES         | ESTIMATED<br>OVERALL YTD<br>REVENUE<br>(USD \$ M) | NUMBER OF<br>WINS |
|-----------------------|-----------------------|----------------------------|---|--|-----------------------|---|-------------------|
| 1                     | 1                     | Mediacom                   | Sony Electronics/Mobile/Playstation Global, Pinterest UK, Pfizer Mexico       | 44.5                                       | E.on Europe           | 36.8  | 86                |
| 2                     | -                     | GroupM                     | Target US, Westpac Australia  | 38.3                                       | Vinamilk (Buying)     | 36.7  | 2                 |
| 3                     | 2                     | OMD                        | Sony Music Global, Infiniti Middle East, Nissan Middle East, Bet365 Italy     | 37.3                                       | Sony Playstation EMEA | 26.8  | 100               |
| 4                     | 5                     | PHD                        | MailChimp US, Old Navy(Digital) US, Lidl Bulgaria                             | 16.0                                       | Greenstone Australia  | 14.1  | 57                |
| 5                     | 3                     | Initiative                 | Reckitt Benckiser Germany & Asia(6 markets), The Cancer Council Australia     | 19.3                                       | Coca-Cola Thailand    | 13.5  | 50                |
| 6                     | 4                     | Havas Media                | Uber UK, MoneyView.in India, NETS Singapore                                   | 15.7                                       | DBS Singapore         | 12.3  | 46                |
| 7                     | 8                     | Mindshare                  | KangShiFu Beverages(Digital) China, Zima Japan, Chubb Thailand                | 13.2                                       | Vita Coco EMEA        | 7.2   | 33                |
| 8                     | 6                     | Maxus                      | Huawei(Planning) UK, Church & Dwight US, Jet.com US, Weber BBQ UK             | 6.8  | Acer Indonesia        | 5.8   | 19                |
| 9=                    | 13                    | Zenith                     | DBS Singapore, Shangri-La Hotels and Resorts Global, H&M Singapore & Malaysia | 9.4  | OLX India             | 5.3   | 32                |
| 9=                    | 7                     | Vizeum                     | E.on UK   | 5.8  | Viacom UK             | 5.3   | 13                |
| 11                    | -                     | Exterion Media             | TfL UK  | 5.0  |                       | 5.0   | 1                 |
| 12                    | 9                     | MEC                        | Pernod-Ricard Germany, Monsanto UK, Moneygram Philippines                     | 5.8  | Harmann Germany       | 3.6   | 40                |
| 13                    | 16=                   | Optimedia Blue 449         | Intu Shopping Centres UK, Walmart Asda UK                                     | 3.3  |                       | 3.3   | 2                 |
| 14                    | 76                    | Solve                      | Radisson US, American Standard US   | 2.7  |                       | 2.7   | 2                 |
| 15                    | 10                    | Dentsu Media               | Japan National Tourism Organisation Malaysia                                  | 2.3  |                       | 2.2   | 33                |
| 16                    | 11                    | GKV                        | Medifast US   | 1.2  |                       | 1.2   | 1                 |
| 17                    | 12                    | The Village Communications | Boghossian UK   | 1.1  |                       | 1.1   | 1                 |
| 18=                   | -                     | Slingshot                  | Goodman Fielder Australia   | 1.0  |                       | 1.0   | 1                 |
| 18=                   | -                     | Dat Viet VAC Media         | Vinamilk(Digital) Vietnam, Masan (Buying) Vietnam                             | 1.0  |                       | 1.0   | 2                 |
| 20                    | -                     | Ikon                       | Pfizer Australia  | 1.0  | Dominos New Zealand   | 0.7   | 1                 |
|                       |                       |                            |   |  |                       | 185.6   | 522               |

# HOLDING COMPANY NEW BUSINESS LEAGUE

We will continue to roll up on a quarterly basis all the wins from the Holding Company agencies in order to look at overall revenue generated from new business. The first quarter sees a similar total revenue trend to 2015, with WPP, Omnicom and Interpublic again taking the top three places. However, it's MDC, with a strong performance from its creative agencies leading the way when we look at this as a percent of revenue.

## 2016 NEW BUSINESS LEAGUE HOLDING GROUP RANKING Global / Q1 2016

| RANK<br>THIS<br>MONTH | RANK<br>LAST<br>MONTH | HOLDING GROUP   | ESTIMATED CREATIVE<br>YTD REVENUE<br>(USD \$M) | ESTIMATED MEDIA<br>(USD \$M) | ESTIMATED OVERALL<br>YTD REVENUE<br>(USD \$M) | AS % OF 2014 REVENUE | NO.OF WINS |
|-----------------------|-----------------------|-----------------|--|------------------------------|---|----------------------|------------|
| 1                     | 1                     | WPP             | 96.7   | 90.1                         | 186.8   | 1.0%                 | 521        |
| 2                     | 2                     | Omnicom         | 94.9   | 42.4                         | 137.3   | 0.9%                 | 302        |
| 3                     | 3                     | Interpublic     | 63.3   | 12.8                         | 76.1  | 1.0%                 | 234        |
| 4                     | 7                     | MDC             | 42.0   | 0.0                          | 42.0  | 3.2%                 | 12         |
| 5                     | 4                     | Dentsu          | 27.0   | 6.1                          | 33.1  | 0.5%                 | 231        |
| 6                     | 6                     | Havas           | 13.8   | 12.3                         | 26.1  | 1.0%                 | 56         |
| 7                     | 5                     | Publicis Groupe | -24.3  | -11.8                        | -36.1   | -0.3%                | 242        |
|                       |                       |                 |  |                              | 465   | 0.7%                 | 1,598      |

## CMOs on the Move

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### CRAIG BROMMERS

SVP & CMO GAP

Craig is a veteran of Abercrombie and Fitch and Speedo and stepped into the role after a one year vacancy, following former CMO Seth Farbman's move to Spotify. GAP now has a global portfolio of more than 1,700 stores, and Brommers will have the dual challenge of keeping them busy while leading e-commerce initiatives.



### LESLIE BERLAND

CMO Twitter

Leslie brings with her a 10+ year history at American Express, including leading some of that company's recent US initiatives. CEO Jack Dorsey has some big challenges ahead with the stock down 35% and marketers currently finding other digital domains more sticky and engaging.



### MARISA THALBERG

CMO, TACO BELL

Marisa replaces Chris Brandt who has left the Yum Group to pursue other interests. Before joining Taco Bell in 2015, she had a long career at Estée Lauder, along with prior stints at Saatchi & Saatchi, JWT and Publicis. Taco Bell is a featured marketer in R3's AdTech 40, so she will be charged with carrying on this good work.



### BOB LORD

Chief Digital Officer, IBM

Bob reports again to David Kenny, after formerly being the CEO of Razorfish while David ran the Groupe's Digital assets. Most recently, he was President of AOL, overseeing a number of their acquisitions. IBM also completed three acquisitions of its own last quarter.



### BRIAN BESANCENEY

SVP & Chief Communications Officer, Walmart

Brian joins from a similar role at Disney, and will report to Dan Bartlett, the EVP of Corporate Communications. Prior to Disney, he worked in Washington with Condoleezza Rice at the US Department of State. Walmart also announced a new CMO last quarter.



## PETER GIORGI

CMO CELEBRITY CRUISES

Peter joined from Airbnb where he ran global advertising. One of his main decisions for this role was to move back to the East Coast. Prior to his experience at Airbnb, he worked for CP&B in Miami.



## REBECCA MESSINA

GLOBAL CMO, BEAM SUNTORY

Rebecca replaces Kevin George, who left in October last year. Before this opportunity, she had twenty-two years at Coca-Cola, including leading Global Advertising Strategy. Beam Suntory is in a highly competitive category, driven by product innovation.



## SIMONA CATTANEO

CMO COTY

Simona joins from Burberry where she lead in-house advertising and digital. Coty is now taking 41 luxury brands over from P&G as part of their divestment. She also brings a background from Dior and L'Oreal.



## STEVEN FUND

CVP & CMO, INTEL

Steven moves into the Corporate Vice President role after two years at Intel as CMO. Prior to Intel, he was SVP of Marketing at Staples and has experience at P&G and PepsiCo. Intel also recently announced they would be cutting 12,000 staff from their workforce.



## MARC COMEAU

VP SALES, SERVICE AND MARKETING, GM CHINA

General Motors has appointed Marc Comeau as VP of vehicle sales, service and marketing for GM China and SAIC-GM, based in Shanghai. Comeau began his career with GM in Canada in 1983 as a Product Distribution Specialist in the Montreal Zone. He has held various sales and marketing positions throughout his career, including senior roles across several regions. Since 2013, he has served as VP Vehicle Sales, Service and Marketing at GM Korea.

## Agency People Movement

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**CHRISTA CARONE** - COO, Group SJR

Christa brings a 17 year career at Xerox, including the role of CMO, and most recently helping the Boston 2024 Olympic bid. SJR is a WPP content agency, part of the Hill & Knowlton Group.

**CHEYNEY ROBINSON** - Chief Experience Officer of EMEA, APAC, Isobar

Cheyney joins from IBM and will be based in London. Her region is large, covering more than 40 Isobar offices.

**DAVID MAYO** - CMO, Ogilvy APAC

David continues in his role as CEO of Bates CHI, along with taking on Ogilvy CMO responsibilities. He brings a 20 year history with Ogilvy, including the President of Ogilvy & Mather Advertising for Asia.

**SHARON CALLAHAN** - CEO TBWA\WorldHealth

Sharon takes the lead across two merged Omnicom Healthcare agencies. She brings with her seven years of experience in the Healthcare sector at Omnicom and further experience at Grey and other agencies.

**KATHY RING** - CEO Starcom USA

As part of the ongoing reshuffling at Publicis Groupe, Kathy Ring takes on the CEO position at Starcom USA. Kathy has more than thirty year's history at the agency.

**SEAN REARDON** - CEO Zenith USA

Sean has been with Zenith since 2007 in a variety of roles, prior to which he was with Hal Riney, Goodby Silverstein and AKQA.

**TAMARA INGRAM** - Global CEO, JWT

Tamara has big shoes to fill, stepping in to replace Gustavo Martinez as CEO. Prior to this, she was in a client service role within the WPP Group.

**PELLE SJOENELL** - Global Chief Creative Officer, BBH

Pelle helped launch BBH Los Angeles and will now move to London to take on a global role after eight years with the agency. He has prior stints in other West Coast agencies including TBWA.



# About R3



## RETURN ON AGENCIES

We help marketers find, pay and keep the best possible agency relationships – covering Creative, Media, PR, Digital, Social, Performance, Event, Promotions and CRM.

We take the lead in improving the Integration process through proprietary software and consulting.

## RETURN ON MEDIA

We offer professional analysis of the media process, planning and buying with proprietary benchmarks and tools to set and measure performance.

We conduct financial audits to validate and benchmark transparency.

## RETURN ON INVESTMENT

We review marketing data, structure and processes to help benchmark and drive improvement.

We track Digital Engagement in China through a proprietary study in China called EnSpire.

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