

Agency News →

CREATIVE EXODUS IN ADLAND: IT'S JUST NOT 'FUN' ANYMORE

Graf, Montague, Bogusky, Hirshberg -- a Parade of Top Talent Departs Big Agencies, or the Industry Altogether



By [Matthew Creamer](#). Published on September 20, 2010.

NEW YORK (AdAge.com) -- Late one night about three weeks ago, Gerry Graf had a bit of a freak-out.

The highly respected and much-awarded creative director had left a fat-salaried, high-profile job at a very large ad agency for the vagaries of the start-up life and he was, understandably, feeling edgy. The next day he phoned up David Droga, who had taken a similar risk four years ago, and went over to [Droga5's](#) New York office on Lafayette Street, which now hosts 12 people serving a client list that includes Puma, Unilever and Microsoft. Mr. Droga's advice for Mr. Graf went something like this: Not all the stars will line up at once, you don't need a wacky point of view, get yourself a strong business partner and don't pitch unless you get paid.



In other words, as Mr. Droga put it to me in an interview recalling the meeting, "You're nobody's bitch."

The mind behind noted campaigns such as Snickers left the big agency world because it was no longer satisfying. He says he'd rather be 'making stuff'

Credit: Katja Heinemann

That might as well be the ad business' motto in 2010. Since the beginning of the year, a veritable Cannes jury worth of senior creative talent has shrugged off the leashes of big agency networks for their own start-ups or for creative pursuits outside the ad industry. A month before Mr. Graf's news broke, Ty Montague and co-CEO Rosemarie Ryan announced their departure from JWT's North American office and later started a collaborative brand studio dubbed Co. In July, Alex Bogusky told the world he was leaving MDC Partners to do ... whatever it is he's doing. Meanwhile, Eric Hirshberg ended a highly successful run at Deutsch, L.A., to go into the video-game industry. And just this month, Eric Silver left DDB, New York, to buy a majority stake in a small agency.

Longtime agency watchers will say this kind of churn has always been part of agency life, but to dismiss the trend as part of some cycle is ignoring some key questions that agencies need to answer. After all, the pressure on these companies' business model is intense. While the economic gloom might be lifting, for most it still lingers and, besides that, agencies are getting hit from all sides: Cost-cutting, conservative clients; procurement officers; more competition from small and midsize shops; newfangled concepts such as crowdsourcing agencies; and a business model still very reliant on the production of ads, not ideas.

"I can't quantify this, but I have a strong feeling that the business is getting harder," said Kevin Roddy, chief creative officer at BBH, New York. "Clients don't strongly believe we're capable of doing things that they can't, and they're more inclined to view us as vendors rather than partners."

The result is that big agencies aren't the most hospitable place for the creative mind, but, then again, they never really have been. That's why "Mad Men" makes all those jokes at the expense of Grey and its ilk, depicted as places to cash in your chips and lounge with models, or perhaps with all the "retarded people" said to work at McCann. The difference now is that the paychecks and the profile aren't making up for the deficiencies as incubators of breakthrough commercial ideas. And it's getting more difficult to retain the big names who can do the thousand things that now make up the role of creative management.

The new reality

You can't, of course, talk about this stuff without talking about the economy. Last year was brutal for ad agencies, with the world's 10 largest suffering significant -- in some cases double-digit -- declines in revenue, according to the Ad Age Datacenter. Psychologically, it was a bottoming-out, a period in which people were either just happy to have a job or too busy firing other people to quit.

In 2010, reports of a recovery have been, in the best case, mildly exaggerated, and in the worst contradicted entirely by fears that the economy is once again slipping. Jobs haven't come back and neither has consumer spending, so marketers are being conservative. You can see this in a number of trends: the decline of secure agency-of-record relationships and the consequent rise of looser arrangements that see clients parcel out work to a large group of agencies forced to compete for project work; the proliferation of specialist shops expert in one discipline, especially true in digital marketing; marketers' willingness to experiment with non-agency solutions like crowdsourcing.

One agency CEO, who remained anonymous for fear of jettisoning all revenue from his company, put it like this: "Hal Riney and Phil Dusenberry were treated differently. Business then was much more civil and respectful. Now we work in an incredibly disrespectful environment. Clients are know-it-all assholes, with the exceptions being few and far

between. There's a lot of greed operating under the guise of ideas like 'efficiency' and 'creating shareholder value' and that grinds away at character."

I asked Mr. Roddy what all this does to your typical hyper-talented creative manager. "Creativity used to be put on a pedestal, and I don't think that's the case anymore," he said. "Creative people have become more of a commodity, and I think that takes the wind out of them. The creative ego is a very important thing, because it drives talent. But it's also a very fragile thing."

Mr. Graf might be the best example of this struggle. Known around the business as a relentlessly innovative creator who, as one executive put it, "doesn't want to play the game," Mr. Graf has, in a long career that's spanned Goodby Silverstein, BBD0, TBWA and most recently Saatchi & Saatchi, racked up plenty of breakthrough ideas, among them stunning work for brands such as Snickers and Skittles. That's not easy.

He came out of his Saatchi experience with the realization that, "I'd just rather be making stuff." With that, it's not surprising that Mr. Graf isn't now armed with a complex new model or anything approaching one (though he is interested in exploring new compensation models and intellectual-property arrangements where it makes sense). "We live in a time when the best idea wins, and scale doesn't matter much to the idea." To that end, his new shop, Barton F. Graf 90 (a reference to his father and to a weapon from the video game "Doom," the BFG90), due later this year, will strive for agency-of-record relationships and also do consulting and writing projects.

Roger Camp, who's earned his fair share of hardware -- including more British D&AD awards than any other American art director -- is leaving his chief creative officer post at Publicis Hal Riney on Oct. 1. "I did a couple of interviews at big places for jobs which are conceivably some of the best out there, and I left feeling like that's not really what I want. By all accounts, I should have been over the moon, and I wasn't. Those big-agency jobs were already defined, and I'm looking to define the thing I want rather than fit someone else's mold of what's already been established."

Mr. Camp said that's the reason he's not the only one running for the exit door. "People are looking to create new models, and that's easier to do than taking existing structures and trying to reshape them."

For the unhappy creative mind still toiling in a big agency, there are two choices: You can either, in Freudian terms, sublimate that ego or, in LeBronian lingo, you can take your talents elsewhere. These days, there's a not-insignificant amount of funding chasing innovative agency models. One example is Jon Bond, a co-founder of Kirshenbaum Bond & Partners who recently left the shop and now has a \$1 million fund to invest in agencies. Then there are more traditional sources, such as holding companies like WPP, Omnicom and MDC, known to be out scouting for new models. MDC, the owner of Mr. Bond's old shop, has even started a contest that will award \$1 million for the best new agency concept, in which it'll hold a 51% stake.

The set of choices for agencies that need strong creative managers might be a bit smaller, stuck as they are between job requirements that appear to be in opposition. On one hand, agencies need the flash that a heavily awarded, famous chief creative officer can provide. On the other, there's the need for someone who wants to take on the many, many responsibilities that come with running a large creative department servicing big international clients. Generally speaking, people don't become copywriters or art directors because they want to someday sit in an endless rotation of endless meetings, hopscotch from airport to airport, handle clients, manage a profit-and-loss statement and only touch the work when it's time to put it on an awards submission reel. Those people got into the business because they want to make stuff.

When Ad Age reported that Eric Silver was leaving the New York office of DDB to take a majority stake in the 34-person Amalgamated, Mr. Silver had this to say: "I wasn't having that much fun at my last job, and when you're not having fun, you're not doing your best work." He added: "As you climb the corporate ladder, it's easy to lose sight of why you got into the industry to start, and this is as excited as I've felt in a long time."

By now -- and certainly after the news of the past few months that suggests a kind of burnout is going on -- it's becoming clear that agencies can't go on with the same job description. "There's a balance between hiring a star -- the 'kickass' creative director everyone's talking about -- and hiring someone who's ready for life in the big agencies," said Anne-Marie Marcus, CEO and owner of the recruiting firm Marcus St. Jean. "Too often, that is not the life these guys want. Big clients, a lot of meetings, not a lot of fun. This is not like working at Cliff Freeman. These are serious jobs."

Ms. Marcus' big piece of advice for agencies is that agencies decide whether they want someone who can be easily plugged into an existing culture or someone they're willing to build around. In the latter case, it's about "using them for what they do and surrounding them with the right support system." And that's not an easy task when so often one of the jobs of a big creative hire is to come in and quickly turn around a massive agency or, at the very least, its creative reputation. If agencies were easy to change, these guys -- or their roles -- wouldn't be necessary.

Another big question sitting before agencies is whether some of these roles have gotten too big for a single person to handle. Said Mr. Roddy, "It depends on the individual. Smart ones surround themselves with smart people who do the things they can't or don't have time for. The thing about creative management is that you've gotta let go and not try to do it all yourself."

By all accounts, agencies are not finding it easy to replace those who have left, with some searches going on for months and months. There are many reasons for this, from a paucity of good candidates to more practical realities, not least the housing-market collapse making it difficult for people who would need to move to take on a new role. While Saatchi quickly named a replacement for Mr. Graf, searches are still going on at JWT, McCann, Deutsch and Euro RSCG. Colleen DeCourcy, who left her role as chief digital officer of TBWA in July and now has funding to start a shop, said she's received a few calls for various creative jobs, for which, she freely acknowledges, she is not qualified. "I've never made a TV spot in my life."

She has, however, strategized any number of digital programs, experience that's increasingly in demand and related to an important trend: the rise of specialists. The vast increase in the number of channels available to reach consumers means that no one agency can master all, opening the doors for experts dedicated to any number of disciplines, from mobile and application development to branded content to crowdsourcing to word-of-mouth. The model unveiled last week by Mr. Montague and Ms. Ryan is in part an attempt to foster and manage that collaboration for clients, and you can bet Ms. DeCourcy's shop will take advantage of what she called the "many gaps in the market."

A full break

Different from the mind-set of the creative director who decides to go smaller is that of the one who leaves the business altogether. Cue Eric Hirshberg, a rare ad creative who has successfully moved on to a parallel creative industry -- in this case, the video-game business. In an interview, he said his decision to become CEO of Activision Publishing was a tough one, even though it's a dream job for a gamer. Mr. Hirshberg was very insistent that his move did not come from dissatisfaction with the agency business but, at the same time, he spoke admiringly of some of the disruptions going on in the market.

"This is not a comment on Deutsch or Interpublic, but the startup trend is great because it recognizes that, at its heart, this is a boutique business based on creative personalities. The holding-company model naturally tries to mechanize and systemize things. Agencies need to continue to be boutiques. I think that is one of the reasons Deutsch L.A. has always thrived. We were always allowed to be us."

Mr. Hirshberg gives no quarter to suggestions that the ad-agency business has gotten too rough. "Advertising can be a fatiguing way to go through the world. It's a high-stress, high-intensity path, but it's always been like that. To me, changes to the business model or economy haven't changed that. The challenge has always been to get a great piece of work through the labyrinth. That's hard, and rewarding, but nothing new."

That might be true, but for the up-and-comers who are the ad business' future, it also might not be especially relevant. I recently had separate chats with two ad guys in their 20s who have good strategic jobs that keep them close to the work at growing digitally-focused shops with full client lists and strong case studies. These are smart, ambitious thinkers with the right understanding of where the business needs to go. Each has already flirted with the idea of taking important roles at big agencies and the future will probably be relatively kind to them, but instead of focusing on that, they echo the same complaints associated with these senior folks: the limits of client-service models, difficulty to find the time or buy-in for innovation. Neither can really imagine long careers in this or any other client-service business -- not when there are Facebooks to be built. Platform and product-development is where it's at in their minds, the kind of work that allows you to make money while asleep. And advertising will pay the bills until the right idea -- and the right deal with the right backer -- comes along.

This, of course, might be idle kvetching that falls squarely into the category of "first-world problems" -- what the Urban Dictionary defines as "problems from living in a wealthy, industrialized nation that Third-Worlders would probably roll their eyes at."

Or it might be the beginning of a cascade of decisions that will lead them to go the route of an Alex Bogusky, whose oft-told tale does not need to appear here. His recent change to his Twitter bio says it all: "I worked in advertising for 20-plus years. That was fun. Still enjoy culture jamming."

~ ~ ~

Contributing: Rupal Parekh

In this article:

Agency News

Matthew Creamer

Matthew Creamer is a former Ad Age editor at large. He now works in creative and content at KBS+.

Follow

View all articles by this author

WHAT TO READ NEXT



Jonny Bauer is starting a brand agency with his Blackstone team

GSD&M hires new president

72andSunny hires Droga5 ECD to lead creative in New York



JOIN US

Subscribe Now Renew Get Datacenter



Copyright © 1994-2023 Crain Communications Privacy Statement Terms of Use About Us Advertise Reprints Help Desk Ad Choices
Careers at Crain Privacy Request

[Ad Age](#) [Creativity](#) [Amp](#) [Datacenter](#) [Resources](#) [Events](#) [On the Move](#) [Latest Issue](#) [Newsletters](#) [Contact Us](#)

