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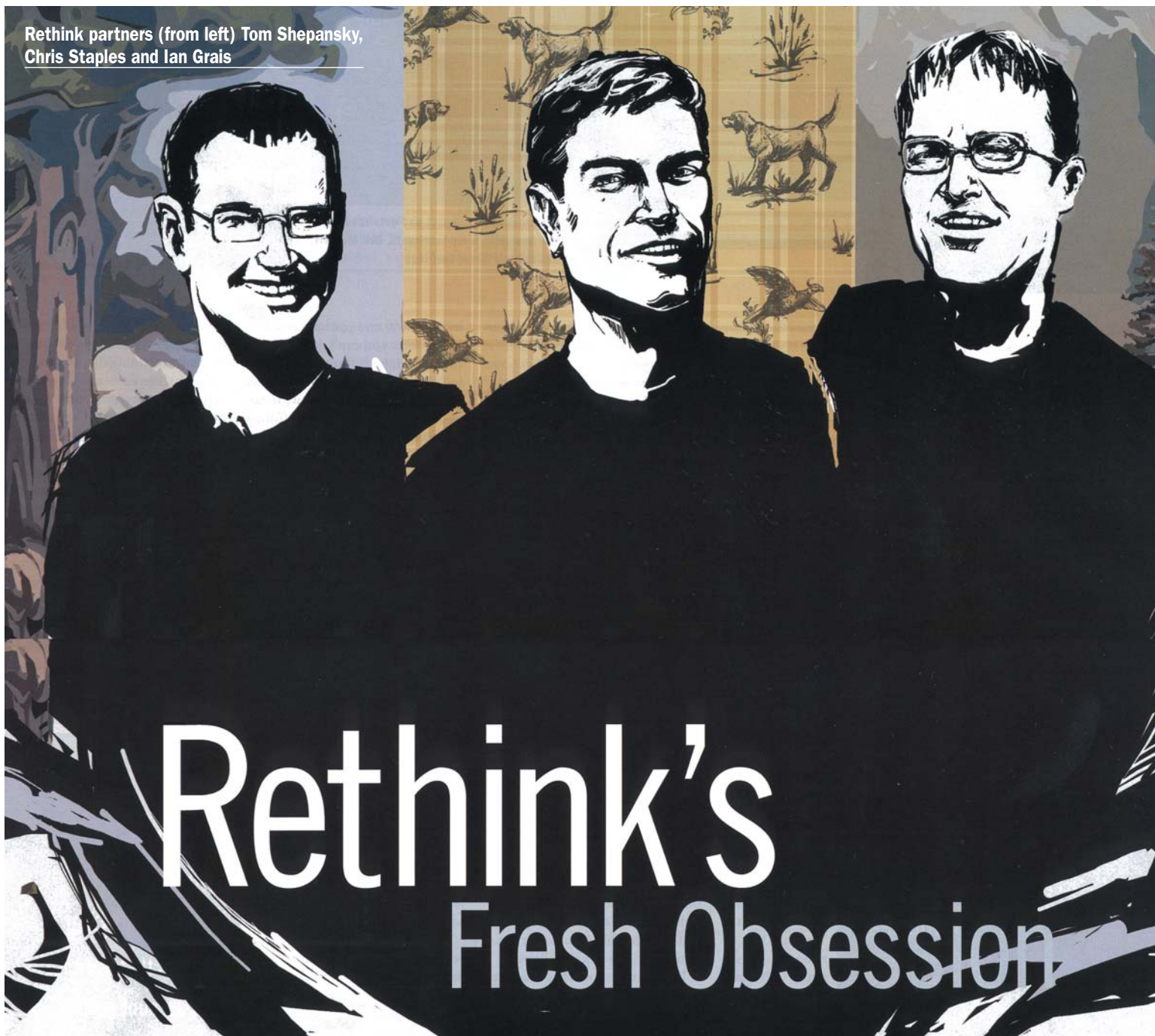


Rethink's Fresh Obsession

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and track record to which most other Canadian shops aspire...page 11

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Rethink partners (from left) Tom Shepansky, Chris Staples and Ian Grais



Rethink's Fresh Obsession

With its no-nonsense, the work-above-all-else ethos, Vancouver's Rethink cracked the U.S. market, aced a significant "project" for Bell Mobility and won kudos at all the right creative shows at home and abroad in 2003. *Marketing's* 20th annual Agency of the Year has the culture and track record to which most other shops aspire

BY EVE LAZARUS

When Rethink first opened its doors in a condemned building at the Coal Harbour end of downtown Vancouver, Chuck Phillips, who was then president and CEO of Lanyon Phillips Communications, sent over a bottle of Bookers Bourbon. He told the three Rethink founders, Chris Staples, Ian Grais and Tom Shepansky, that they would know the right moment to open it. And, while there were a couple of moments this year when it came very very close, the bottle still sits intact on a shelf in Shepansky's office.

On the day of this interview, it's exactly four years since Rethink opened after Staples, 42, Grais, 36, and Shepansky, 41, left Palmer Jarvis DDB to

start their own agency. In some ways not a lot has changed. The vision remains the same: A no-frills feeling pervades the office, and it's still creative at all costs. In other ways, there's been a world of change. Rethink has moved from that first building—which was staffed by only the three founders and with no clients on the books—to become a creative powerhouse with a staff of 38, a truly enviable client list and a year of awards that has helped earn them a formidable reputation in the industry.

But perhaps the defining moment for Rethink really came last Christmas with two phone calls in rapid succession. One was from Brian Piwek, president and CEO of A&P U.S., who asked if they'd like to come down to Detroit and pitch for the Farmer Jack Food Market business against a New



Rethink creative has impact and gets results for clients (from left), O'MY Lubricants, Bell Mobility, Farmer Jack and Clover Leaf tuna

York agency. The other came from Brent Cuthbertson, the former head of marketing at Richmond Savings and a former client, and now director of marketing for Western Canada for Bell Mobility, asking if they'd be interested in coming up with "an idea" for Bell in the West.

Aside from the addition of the 150-store grocery chain and slicing off millions of dollars in business from Bell Mobility that rightly should have stayed with Cossette Communication-Marketing, Bell's Quebec City-based agency of record, Rethink has added the B.C. Lions, Science World and O'My Lubricants. Coast Capital Savings Credit Union put their business out to tender, but then came back to Rethink. And the agency's award-winning work for the "fresh obsessed" A&P/Dominion has seen awareness spike at 92%. A \$1-million campaign that ran this summer saw the B.C. Lions boost its same-day ticket sales by 37%, and an ad with a lemon on a fish hook for Clover Leaf tuna made the cover of Applied Arts in May.

In Rethink's hands, even something as mundane as canned tuna can develop a hip cachet. And more importantly, but also in keeping with Rethink's focus on results-building work, the effort helped sell 35% more tuna. "You know that doesn't come along every day," says Lorna Buchanan, vice-president of marketing for the Markham, Ont.-based Clover Leaf. "I was certainly thrilled."

Agency of the Year. On the new business front, Young & Rubicam surprised many as 2002 turned to 2003 by first keeping its cornerstone Ford Canada account, which had been put into review in late 2002, and then scoring the coup of landing the massive consolidated prizm brandz creative account after a high-profile review. Later in the year, Publicis Canada went on a tear winning the \$20-million job to rebrand AT&T Canada as Allstream, then Canada Post, National Defence and, through its media arm ZenithOptimedia, the \$28-million billing media assignment for prizm brandz, and Pfizer Canada. The creative output from those shops was, while in some cases very good, hardly standout.

Toronto's Gee Jeffery & Partners continued to set the standard for agencies expanding south of the border-it added to its U.S. client roster, while operating two U.S.-based offices. But it, too, had a quiet year creatively.

On the creative front, Montreal's consistently leading light, Bos, helped ignite a cultural sensation in Quebec with the multi-award-winning work it did for Familiprix (although it suffered a setback when that work's prime creator, Jean-François Bernier, departed to start his own shop).

Toronto's Downtown Partners DDB won international accolades for its work, first by having three Budweiser spots for U.S. client Anheuser-Busch appear on the U.S. Superbowl broadcast-an unprecedented feat for a Canadian shop-and winning gold again at Cannes for its hugely popular Canadian Bud Light Institute work for Labatt. Downtown's sister agency Palmer Jarvis DDB, and Toronto's Taxi, remained consistently dynamic players, as was upstart John St. which, while barely two years old, struck the right balance winning several accounts and coming up with breakthrough creative for clients like Harvey's. And in winning projects and accounts for the likes of Honda Canada, Janssen-Ortho (to launch a new female contraceptive) and Cadbury-Adams, Grip Limited showed real signs of becoming more than just the beer boys' plaything, which was what many predicted when it was formed at the behest of Labatt two years ago.

But, in the eyes of the writers and editors of Marketing, no agency had all the elements-outstanding creative, significant new business wins and a clear corporate vision-working in sync as well as Rethink. In a year that has otherwise added up to a horrible economy for ad agencies across the country and a virtual standstill of new business in their own home market, Rethink has managed to expand its client list, crack the elusive U.S. market, bring home a record number of awards, get results for its clients and stay true to the founders' ideals. For all those reasons, Rethink is *Marketing Magazine's* 2003 Agency of the Year.

Chris Staples and Ian Grais were already creative superstars when they jumped with Tom Shepansky from the high salaries of a multinational to the uncertainties of running their own business in 1999. In the first three months, they hit the ground running with \$15 million of business. In fact, the first client through the door was A&P/Dominion, a former PJDDDB client that moved its business without a review. Then followed Playland Amusement Park and Richmond Savings, which both held reviews and then moved their business to Rethink. Others such as A&W Restaurants, Earls Restaurants and the British Columbia Automobile Association (BCAA) quickly followed.

In Rethink's new office space, it's now the second round for the trademark bright green Astroturf, which has carpeted each of the Rethink offices-a clear signal to visiting clients that it's still all about the work. The interview takes place at a round ping pong/boardroom table, in the newly acquired ground floor space beside a wall that is actually a giant map of the world.

The map might just be prophetic-geography has never meant much to Rethink. In fact, half of all its revenue now comes from outside B.C.

"There's not a lot of new business and the economy has been tough so we have been forced to

The Criteria for Agency of the Year

The Agency of the Year is chosen by Marketing Magazine's editors and writers on the basis of which agency stood out most during the year and had a real impact on the Canadian agency business. The winner must perform well in three broad areas: It must have picked up significant new business, produced superior creative, and led the industry in the more elusive quality of corporate vision.

A few other agencies also had strong enough years to put them on the short list for Marketing's



Urinal mats used to recruit for the Oliver Fire Department in B.C. ask "Want to be a fireman?" (far left); recent TV spots for A&P/Dominion (centre) show "fresh obsessed" employees infiltrating the competition, a magazine ad promotes Rethink Advertising (right)

go out of the market," says Staples. "We've got so used to having to hunt outside our backyard, and when you get good at hunting what's the difference between Toronto and Detroit or anywhere else? And that's what is making us pause and think and say, 'Well what's stopping us from getting work from London or New York?'"

Staples says that being independent also gives them a lot of freedom.

"If you are part of a multinational in Vancouver and you have an office in Toronto, you can't go fishing in their pond. So it forces agencies to look to their own backyard to get all their revenue, and because we're not tied to a network we can go fishing anywhere," he says.

Certainly having an advertising agency that's outside of Toronto doesn't bother Doug Brummer, senior vice-president marketing and advertising for A&P/Dominion. In fact, he says, it might just be an advantage.

The Rethink model is not for everybody.

"clients that want four account people in every meeting and clients who expect the yearly fishing trip are not happy here"

"British Columbia has always been known as California North, people are very focused on fresh products, healthy eating, healthy lifestyle, so they are able to bring us examples of what different retailers, different manufacturers, different industries are involved in there and sometimes that gives us a bit of a leading-edge indicator of what is going to come eastwards."

The last round of television spots featured staffers so obsessed with selling only the freshest fish that they had them flown in by helicopter. This year, the fresh-obsessed employees have infiltrated the competition.

"This year's campaign by far is the best work they've done for us," says Brummer. "It's really outstanding work. We do research every year on the advertising, and they hit all-time records in terms of communication appeal. Our fresh obsessed slogan awareness is now into the 90% range which is an all time high for us, four years ago it would have been in the 70s."

The work helped Rethink snag the Farmer Jack account, Michigan's largest grocery chain and part of the A&P/Dominion family. Sara Perry, Rethink's 24-year-old account manager, was sent to Detroit to work with the client for 10 weeks prior to the campaign launch.

Rethink came out with the tag line "We're thinking fresh," new creative, and as with A&P, designed the uniforms, in-store signage and even had a say in how the employees would act and behave.

"It's a similar platform to 'We're fresh obsessed,' but they are not ready to say they are fresh obsessed yet, they need to do some work," says Staples. "They needed to show the market that they were open to new things, because they were seen as stuck in a rut."

Rethink produced three television spots using the same kind of humour seen in the A&P ads. One ad shows a butcher explaining that they have a money-back tenderness guarantee and that they test every shipment. The camera cuts to a group of seniors eating, their dentures set in glasses next to the plates. An old lady smiles a toothless smile and says: "Chews like butter."

"I wouldn't want to pigeonhole them into the traditional advertising profile because I think they go way beyond that, and they truly bring business solutions to us which I think is quite unique from my experience," says Brummer.

In the case of Bell Mobility, the company, the agency and Cossette, Bell's AOR, are all positioning Rethink's work in the West as a project. The fact that Rethink was asked to do the work is obviously a touchy subject and, initially at least, a big risk for

Rethink. As Grais tells it: "We took a big chance. We devoted four months of our time to a project that wasn't guaranteed to go anywhere, so it was basically like pitching the business with no guarantees at all."

Cossette had launched Bell in the West in fall 2001. The ads showed people snowboarding, hiking or mountain biking and copy such as "Cities have limits. You don't," and "Life without a leash." The ads were pretty standard fare in B.C. and Alberta, and failed to carve out any kind of real differentiation for Bell. At the time, Grant Stockwell, associate director, marketing communications for Bell in Vancouver, said unaided awareness figures following the campaign were 10% and the goal was to double that in 2002.

Rethink was brought in and a new campaign kicked off this past May. Since then, unaided awareness has gone from being virtually non-existent to 27%. Bell's western operations now contribute 25% of the company's subscriber growth nationally.

Rethink took Cossette's "Making it simple" platform and carved out a distinct and youthful identity. Grais came up with the idea of using pixel animation that takes place inside the phone.

"Rogers has real people and real situations, Telus has animals and nature and Fido has dogs. No one was doing animation and strategically it made sense," Grais says. "We wanted to speak to people who really got it."

As the fourth entrant into the highly competitive mobility industry, says Stockwell, it was important to have breakthrough work.

The ads run on television, print, outdoor and online, and are aimed at a target audience of 18- to 34-year-olds-people who have grown up with the technology and instinctively understand the ads' references and care about things like Sega Soccer games, funky ring tones and having Internet, cell and home phones in one package. One television ad that is used both in the West and for Solo in the East has three soccer players trying to kick the ball

through the glass and break out of the phone. "There's no escape," says one pixel character.

"The creative was designed in the West for the West and then it was so well received that the Solo team in Toronto adopted it for their platform and that gave us some great efficiencies," says Stockwell. "They hit a home run. I can't say enough good things about it in terms of what a positive experience it was and what a great product came out of it. Each time you go and meet with (Rethink), it's so much fun because the work is always of such a great quality, you are not rewriting work, you are picking from among four great things."

After coming up with the pixel idea, Rethink then did an exhaustive search to track down agencies that could handle the illustrations and this specialized kind of animation. They found Global Mechanic in Vancouver and Cuban Council in San Francisco. Next, Rethink brought in Diesel, a Montreal agency that had previously worked with Bell, to take care of the Web site. "We collaborate with Diesel's Web division, give them ideas and act sort of as creative director on the thing and they run with our idea and apply it on the Web," says Staples.

Adds Stockwell: "It's really bringing together a high-powered creative team across North America. They've delivered a power-packed creative product for us."

According to Staples, Bell is now Rethink's third or fourth largest account and it's no surprise that the Bell work is also changing the shape of the agency. Rethink's partners have had to staff up, take on 30% more space and are now faced with the question of what kind of agency they want to evolve into.

"This is a big moment of reflection for Rethink, we didn't think it would happen as quickly as it has," says Staples.

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hen Rethink first opened, the plan was to create a small agency that was all about the work. At that time, the partners expected the agency to top out with a staff of 40. But now that the agency has arrived at that point, it might be time to tweak the business plan.

"When we said originally that we wanted to be 40, that was assuming the three of us would be handling virtually all the senior level stuff, and what's happened is we've had a lot of people stay with us over the four years," says Staples.

In fact, Heather Vincent, Rob Tarry and Andy Linardatos, three creative forces in their own right, have just been named associate creative directors and two staffers were promoted to production and office managers. Each of the staff now has titles, something they originally shunned. "We said that we wouldn't have titles, but we learned over the last year that you actually do need people in roles to take on more responsibility," says Shepansky. "Instead of it just

being the Chris, Tom and Ian show, there's this layer of really strong senior managers coming up behind us and that's making us reassess our whole 40."

That raises the question of whether the partners are unable to give the personal touch to clients, and spend more time running the business end than the creative end.

Staples says not. The Rethink partners still answer their own phones and are actively involved in the work—Grais just finished three TV spots for BCAA and another three for Coast Capital, for example, and Staples has his nose in everything. The associates, he says, take care of the lower level stuff like point of purchase, flyers and local radio. But, he adds, it's important that staff have the opportunity to show their stuff and see that there's room for advancement—that there's a future, not just being in the shadow of Staples, Grais and Shepansky. "Our goal is not to promote ourselves or to promote other people so we just end up in corner offices, just supervising."

The goal, says Grais is to hang onto the culture. "If we can keep our culture and it can still stay fun for us and we can still have quality of life, and see our families and not be workaholics, I don't think there is a limit," he says.

Rethink has also notched up an impressive number of awards this year regionally, nationally and internationally. They were the third most-awarded agency at the Marketing Awards, picking up a total of 13 awards including three Golds. They won three Pencils at the One Show in New York, a Bronze Clio and Best of Show at both the Crystal Awards and the Extras. Rethink picked up three Golds and five Silvers at the Ad and Design Club of Canada Show on Nov. 6 and have 31 entries in the Applied Arts Annual which comes out in December.

"It's not important that we got 31 entries in Applied Arts, we are happy we went from 20 to 31 and we went from four clients to 10" represented in the entries, says Staples. "To us, that's saying we're moving in the right direction."

You won't see any awards around the office, and Staples says that's no accident. Any trophies or plaques they win go to the clients—who don't really care about awards either. He suggests that they should, if only because it allows Rethink to attract the best and brightest in the country, no small feat when you are asking them to come and work in Western Canada. It's also why they look for potential new hires with both talent and a great book, but who also come with strong family values, a balanced life and plenty of interests outside of advertising.

And, that's more than a tad self-serving. "The key thing is, we look for people who move to Vancouver because they love Vancouver, there is no other carrot to bring to people here," says Staples. "The money is not good, for Americans it's ridiculous. We always say to them on the phone that

you know that our tax rate is 55% and our dollar is worth 73¢ and by the way salaries here are 30% lower than Toronto. After that they usually hang up."

Elsbeth Lynn, a partner at Zig in Toronto-Marketing's 2002 Agency of the Year—says she knows from experience that staffing up to handle an account like Bell will have an impact on the agency. Last year Zig won a big chunk of the multimillion-dollar Unilever Canada account. It was a huge vote of confidence in the boutique agency and one that allowed them to take Zig to the next level. It was also a staffing challenge, explains Lynn.

"Having 10 more people is quite substantial, and the trick is really when you have a small agency you are able to hand-pick specifically along the way. And when you get a big account to be able to keep that same sense of hand-picking the people you want is very challenging," she says.

Rethink shares many similarities with Zig. The two agencies opened within half a year of each other, the three Zig partners were (and still are) considered stars of the advertising scene, and the agencies are now close in numbers—Zig has 34 staff. Both share formidable creative reputations and have stuck steadfast in their refusal to do spec creative. Neither agency will reveal revenues.

Rethink's founders hate being compared to other agencies and say that because they are not a full-service agency—they don't do media or promotions for instance—comparing billings or revenues is not realistic. Staples will say that revenues have jumped by 48% this year, and if they were to talk numbers they'd be somewhere in the top 30 in Canada. Looking at comparable agencies, it's likely annual revenues are in the \$6 million to \$7 million range.

Toronto's John St. is another agency that has been compared favourably to Rethink. Angus Tucker, partner and co-creative director, says he takes that as a compliment.

"I have huge respect for those guys, I think they are terrific. They had the guts to leave Palmer Jarvis when they were doing terrific work. I think they probably had carte blanche in some respects to really do whatever they wanted within that organization, but clearly they had the desire to try it on their own," he says. "I love the work they did for Maclean's. It had balance and insight, shock and awe. I love the fact that they've taken this terribly Canadian brand—Maclean's—and started to elevate it."

Paul LeBlanc, CEO of the Extreme Group in Dartmouth, N.S., and co-founder of the Ice Awards, worked with Staples on the award show last year and describes Rethink's work as "aspirational."

"Obviously they are a splinter of PJ and the style is very similar, but it just seems to be a bit more provocative and bold," says LeBlanc. "That's the type of work we are starting to do and continually evolving towards doing and so we are pretty excited about what Rethink does and what it stands for."

Rob Whittle, national president at PJDDDB in Vancouver adds: "I have terrific admiration for their capabilities. They've built a very good independent brand in Vancouver and I think they are doing some very good work. They have a nice client base, they are good competitors. They are an alternative certainly to what the national and multinational networks offer and, as you well know, sometimes it's right for some people and not for others."

The Rethink partners will also tell you that their model is not for everybody. "It only works for certain clients," says Staples. "Clients that want four account people in every meeting and clients who expect the yearly fishing trip are not happy here."

Ask who they emulate and Staples says it's Portland, Ore.'s Wieden+ Kennedy: "They've managed to stay in the city that they love, and managed to bring in clients from New York, Amsterdam and London."

All three partners were employed by PJDDDB when the agency was named Marketing's Agency of the Year first in 1995 and again in 1997. Staples says he feels Rethink is at the same point today that PJ was back then. "Our goal is to be working on interesting projects around the world and when PJ got to a certain level, all of a sudden they were getting accounts like Finesse and Budweiser, and that happens when you reach a certain level of client size," he says. "You get entry into a different kind of club and I think we are on the verge, hopefully, of getting entry into that kind of club."

While project work for clients such as Norske Canada, the Body Shop, Bootlegger and Earls Restaurants has come and gone, Rethink had its first publicized loss in September with Okanagan Springs Brewery. Shepansky says the parting was amicable, and John Furch, brand marketing manager for the Sleeman Breweries-owned company, cited "philosophical differences," at the time of the split.

"You're going to lose some, you are defined by how you lose things," says Shepansky. "It's character building."

Rethink's first client, its own Rethink Beer, is now officially retired, but the concept of a Rethink brand is as important as ever. (In fact their latest design, the Rethink light—a white traffic cone which hangs in the office's foyer—won an honourable mention as "new product of the year" at the New York Gift Show.)

"For us, it (the Rethink brand) has been a laboratory right from the start. It's about walking in our client's shoes and knowing what it's like to have to deal with suppliers and manufacturers," says Staples.

"It's the Rethink DNA," says Grais. "That's what we were founded on and it's always going to be part of who we are."

Past Agencies of the Year

- 2002: Zig, Toronto
- 2001: Taxi, Toronto
- 2000: Publicis Canada, Montreal
- 1999: MacLaren McCann, Toronto
- 1998: Cossette Communication-Marketing, Quebec City
- 1997: Palmer Jarvis Communications, Vancouver
- 1996: Roche Macaulay & Partners Advertising, Toronto
- 1995: Palmer Jarvis Communications, Vancouver
- 1994: BBDO Canada, Toronto
- 1993: Scali McCabe Sloves, Toronto
- 1992: McKim Baker Lovick/BBDO, Toronto (Newsmaker of the Year)
- 1991: Cossette Communication-Marketing, Quebec City
- 1990: Harrob & Mirlin, Toronto
- 1989: Saffer Advertising, Toronto (Newsmaker of the Decade)
- 1988: MacLaren Advertising, Toronto (Newsmaker of the Year)
- 1987: No single dominant agency, but four were cited as contenders:
FCB/Ronalds-Reynolds, MacLaren Advertising and Young & Rubicam,
all of Toronto, and BCP Group, Montreal
- 1986: Cossette Communication-Marketing, Quebec City (Newsmaker of the Year)
- 1985: Scali McCabes Sloves, Toronto
- 1984: Miller Myers Bruce, Toronto (Newsmaker of the Year)