

DDB (SA) to orbit Jupiter

The Jupiter Drawing Room (South Africa) & Partners, brand owners of Africa's largest group of independent advertising agencies, this afternoon, Wednesday, 7 November 2007, announced the acquisition of the rights in South Africa to DDB, one of the world's largest multinational agency brands. For the last 10 years, the DDB brand in SA has been aligned with Framptons, an agency owned by SA entrepreneur Mike Frampton.



Left to right: Patrick Ehringer, President DDB Middle East & Africa; Graham Warsop, chairman of The Jupiter Drawing Room (South Africa); Glen Lomas, CEO of DDB (SA); and Andile Khumalo, director of MSG Rimani.

TJDR (Johannesburg) also announced this morning the appointments of Andile Khumalo and Tebogo Skwambane as non-executive directors. Khumalo currently holds the position of CFO at MSG Afrika, the holding company of MSG Rimani which in turn holds a 51% stake in TJDR Johannesburg. Skwambane is a partner and founding member of North Road Consulting.

DDB (SA), part of DDB Worldwide, will join existing brands TJDR (Johannesburg), TJDR (Cape Town), Black River FC and MetropolitanRepublic as the fifth member of TJDR (South Africa) group. By bringing DDB (SA) into TJDR (South Africa) group, the trend of international agency networks acquiring local agencies has been reversed.

"Wonderful quirk of fate"

Said TJDR (South Africa) chairman Graham Warsop, "It was a wonderful quirk of fate that arguably the most famous international agency brand of all time had no international ownership in South Africa. By bringing DDB (SA) into Jupiter's orbit, we give all of the Jupiter group agencies a best of breed global partner, with no loss of independence. We intend to help the DDB (SA) brand reach a level of prominence commensurate with the stature of the DDB brand globally."

Through this multi-million rand deal, Jupiter shareholders have acquired majority equity in DDB (SA), with the remaining

shareholding vested in the hands of the executive management and Frampton. DDB (SA's) black shareholding is taken to 30% with the investment of MSG Rimani Investment Holdings, who also own in excess of 50% of TJDR (Johannesburg).

The DDB (SA) agency will continue to operate with 100% local ownership from its new offices in Silverpoint Office Park, Bryanston, Johannesburg.

Commented Bob Scarpelli, chairman and executive creative director DDB Worldwide, "We've long admired Jupiter's work from afar. This deal is great for DDB, great for Jupiter and great for South Africa and African advertising as a whole".

Added Patrick Ehringer, president of DDB Middle East & Africa, "We have chosen to partner with The Jupiter Drawing Room (South Africa) because we share the same vision, specifically the power of ideas to grow our clients' brands."

Sown three years ago

The seeds for the relationship between DDB and TJDR (South Africa) & Partners were sown over three years ago when Frampton and Warsop entered discussions to see if there was a way of bringing together two brands with very strong reputations for creativity and effectiveness. As TJDR (South Africa) was not interested in selling to an international network, the discussions centered on how DDB (SA) might be brought into the Jupiter fold instead.

In 2004 Frampton recruited two shining stars from the DDB office in London, Glen Lomas (CEO) and Emmet O'Hanlon (head of strategy) to give the agency the injection of management skill the agency was looking for. In their four years in the position they have taken responsibility for a significant new business drive (they've won 13 out of the last 13 pitches) and achieved a remarkable seven out of seven rating by Unilever (when only two Unilever agency offices in the world received such a ranking).

Said Frampton, "Although the renaissance was well under way, we were looking to take the agency to the next level. We knew we had in place a talented management team but what we were looking for was the added credibility that comes with size in the local market, especially for big brand new business pitches. The deal with The Jupiter Drawing Room (South Africa) makes us part of the largest independent agency group on the continent of Africa. To have achieved this stature by growing the agency organically could have taken a decade".

Benefit already manifested

The benefit to one of the Jupiter brands, The Jupiter Drawing Room (Johannesburg) has already manifested itself. When the agency pitched for the SAA account in 2006, a relationship with DDB at both an international and local level already existed. DDB (SA) and DDB (International) proved to be exceptional pitch partners on the SAA and MTN accounts outside of South Africa.

Mohale Ralebitso, chairman of TJDR (Johannesburg) commented, "At a global and regional level, the relationship with DDB has addressed our strategic needs to service our clients outside the borders of South Africa. On a local level Glen and Emmet's input, has been extremely valuable, especially on some of our key pitches last year. They've become good friends of ours".

There have also been benefits to DDB (SA). TJDR (South Africa) has already helped recruit top local creative director Gareth Lessing into DDB (SA). He in turn has made a number of key appointments in the creative department in recent weeks.

The right to use

One feature of the deal is that all the TJDR (South Africa) brands will have the right to use the DDB global network and systems for sourcing information, case studies, new business pitches and servicing clients. TJDR (South Africa) will also help DDB (SA) develop the DDB network's regional expansion across Africa. DDB (SA) will have the first right to bring

other DDB brands into the SA market. Such brands include Tribal DDB, recognised as one of the world's foremost digital agencies.

Concluded Warsop, "One of our primary goals is to have strong powerful brands as part of the Jupiter family. We have concluded the deal with DDB (SA) at a time when all the building blocks are in place. The agency is 46 strong. Headed by the management team of Glen Lomas (CEO), Emmet O'Hanlon (head of strategy) and Gareth Lessing (creative director) we have great faith in the future of the agency."

- DDB Worldwide is one of the world's most pedigreed international agency brands. Legendary US adman Bill Bernbach, (the B in DDB) founded the agency with two partners on 1 June 1949. Since then DDB has grown into a global agency (part of the Omnicom group) and enjoys an enviable reputation for producing more than its share of the world's most creative and effective advertising. Globally, the DDB brand has been the most awarded in the history of the prestigious Cannes International Advertising Awards and has enjoyed unprecedented success in the IPA Effectiveness Awards

The TJDR brands in Johannesburg and Cape Town have consistently proved their creative abilities with a trophies cabinet full of international and local awards. At the last ACA Effective Advertising Awards, the agencies took home 50% of the Golds handed out on the night.

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