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Big brand success stories and the execs who developed them**

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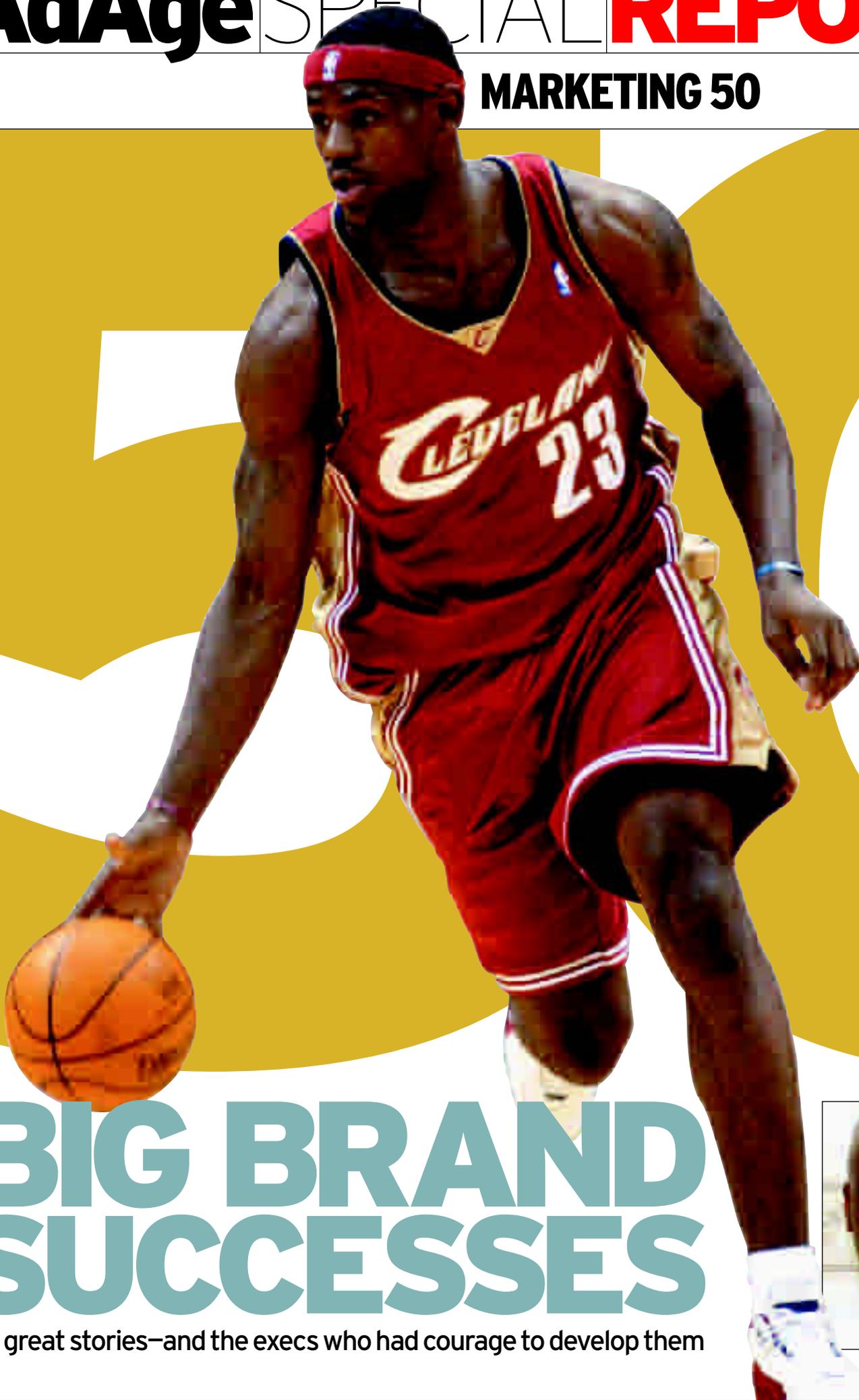
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## MARKETING 50



# BIG BRAND SUCCESSES

50 great stories—and the execs who had courage to develop them



Agent Aaron Goodwin (inset) helps make LeBron James a marketing juggernaut off the court. See Page S-6

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# AdAge SPECIAL REPORT MARKETING 50

## Z Series

### Steven Wilhite

VP-MARKETING,  
NISSAN NORTH AMERICA

THE Z SPORTS CAR is the soul of Nissan North America's Nissan brand. So the marketer wanted to ensure that the return of the Z after a six-year hiatus was a success. Nissan adopted the global "Shift" approach as part of a revitalization plan, encouraging staff in all parts of Nissan to rethink the way business is done.



All Z ads were b&w. In an unusual move, only stills of the sports car were used in TV spots by Omnicom Group's TBWA/Chiat/Day, Playa del Rey, Calif. The car isn't in motion because "we wanted to capture the incredible power of the design,"

says Steven Wilhite, 51-year-old VP-marketing at Nissan North America, who has held marketing jobs at such design-centric companies as Volkswagen of America and Apple Computer.

TBWA/Chiat/Day (coincidentally Apple's longtime agency) created Internet banner ads for the 350Z six months before it went on sale. In the first 30 days, 50,000 people clicked onto the banner ads, picked a color and printed it. Nissan had 75,000-plus pre-orders before it went on sale, many customers ordering the Z after having only seen photos of it.

—JEAN HALLIDAY

## Hot Topic

### Betsy McLaughlin

CEO

RETAILING IS COMPETITIVE, but selling to fickle youth is especially cutthroat. Merchandise that's hot one day can grow cold faster than a retailer can say, "Cancel that order." That's why Hot Topic, a 491-store chain, and its leader, CEO Betsy McLaughlin, stand out. This fast-growing operation catering to 12-to-22-year-olds has been bringing the funky fashions and accessories of Melrose Avenue to suburban malls since 1989. "The best advertising is word of mouth," Ms. McLaughlin says.

Lots of companies pay lip service to staying in touch with the customer, but Hot Topic actually does so. Staffers keep their eyes glued to MTV and attend rock concerts to spot trends. It orders merchandise as little as two weeks ahead. Ms. McLaughlin, a 10-year company veteran who learned retailing in financial and strategic planning posts at The Broadway department stores and Millers Outpost, personally pores over hundreds of "comment cards"—surveys that shoppers fill out at Hot Topic stores—as well as e-mails to its Web site. "I get tremendous feedback," she says.

Analysts credit the 42-year-old Ms. McLaughlin for

"I get tremendous feedback" from e-mails and surveys



recognizing the opportunity in targeting the underserved plus-size market two years ago, when Hot Topic started a retail spinoff called Torrid. It aims for a slightly older crowd (15-29). Lauren Cooks Levitan, senior research analyst at SG Cowen, foresees huge potential. Torrid "could be even bigger than [Hot Topic's] core concept," she says.

—JENNIFER PENDLETON

## Sierra Mist

### Cie Nicholson

MARKETING VP-  
FLAVORS, PEPSI-COLA NA

IN THREE YEARS, Sierra Mist has become the No. 3 national lemon-lime carbonated soft-drink brand behind Coca-Cola Co.'s Sprite and Cadbury Schweppes' 7UP.

In 2003, Cie Nicholson, marketing VP-flavors, and her team at Pepsi-Cola North America put No. 2 within reach by giving bottlers a Pepsi Challenge of sorts.

First sold in late 2000, Sierra Mist was Pepsi's entry into the lemon-lime segment. To make it a true national brand, Pepsi needed to get retailers behind the soft drink; Pepsi needed to convert another 30% of its bottlers to switch from 7UP to Sierra Mist.

Without bottler help, "we wouldn't get [promoted in grocery store circulars] because of our patchy distribution at that time,"

recalls Ms. Nicholson, a 39-year-old Pepsi veteran who took on Sierra Mist 18 months ago after leading the Mountain Dew team.

In January, Pepsi launched its largest-ever sampling day in Times Square, Penn Station, Wall Street and other locations that reached between 5 million and 6 million potential customers.



Later that month, the beverage giant broke a trio of ads during the Super Bowl via Omnicom Group's BBDO Worldwide, New York, using a "Shockingly refreshing" position and heavy media spending. Through June, Pepsi spent \$30.5 million on the brand, according to TNS Media Intelligence/CMR. "It's never easy to switch from a brand like 7UP, but Pepsi made it a

rational and sensible decision for its bottlers," says John Sicher, editor-publisher of *Beverage Digest*. This year, volume is up in supermarkets by more than 100%, he says.

—KATE MACARTHUR

## 'Trading Spaces'

### Sharon M. Bennett

SENIOR VP-STRATEGIC  
PARTNERSHIPS & LICENSING,  
DISCOVERY COMMUNICATIONS

SHARON MARKOWITZ BENNETT faced a tricky predicament. After joining Discovery Communications' consumer products unit as senior VP-strategic partnerships and licensing a year and a half ago, she surmised that the cable hit "Trading Spaces" could be easily mined for licensing and merchandising gold.

After all, "Trading Spaces" put Discovery-owned TLC on the world's TV radar with hit ratings in 2002, two years after the show's launch. It begat specials and spinoffs, and served as a lead-in for such fare as "What Not to Wear." And it inspired as many as

a dozen copycat shows on other networks.

So was Ms. Bennett's task a no-brainer? Yes, but it presented a bigger challenge than it might seem. Retailers are more accustomed to stocking shelves with "SpongeBob Square Pants" T-shirts and lunch boxes than goods inspired by a reality show on cable (not to mention that "Trading Spaces" most popular moments often spring from design misfires).

"Trading Spaces' isn't your typical character-based" show

"This isn't your typical character-based program," says Ms. Bennett. Nevertheless, the 38-year-old former Walt Disney Co. executive eventually signed up more than 30 licensing partners.

So far, so good. "Trading Spaces: Behind the Scenes," the first of five show-inspired books, stayed on *The New York Times* best-seller list for 24 weeks, selling an estimated 1 million copies. As the show enters its fourth season, TLC is betting the public's enthusiasm for glue-gun-wielding neighbors won't wane. Arriving in 2004: everything from bedding to lighting, all inspired by TLC's signature show.

—JENNIFER PENDLETON

## Splenda

### Debra Sandler

WORLDWIDE GROUP  
VP-MARKETING,  
MCNEIL NUTRITIONALS

IN LESS THAN THREE YEARS, Debra Sandler has seen Johnson & Johnson's startup initiative, the introduction of Splenda low-calorie sweetener, turn into a big success. When Ms. Sandler, 43, signed on to lead the launch of the product in early 2000 following FDA approval of the sucralose-based sugar substitute, the now worldwide group VP-marketing for J&J's McNeil Nutritionals was used to the large-scale consumer marketing budgets of former employer PepsiCo. But, she says, the smaller budget necessitated that she and her team develop an extremely consistent message and theme that would be directed at a "bull's-eye target."



It is that clarity that made the brand a "phenomenal success," she says. The message: Splenda is made with sugar and has greater cooking/baking possibilities than its competitors. This was carried through every communication from

advertising to packaging. Through the key iced-tea drinking summer, the brand held a 40% dollar share of the nearly \$300 million sweetener category in food, drug and mass outlets excluding Wal-Mart Stores, according to McNeil's data from Information Resources Inc. That trumped Merisant Co.'s longtime leading Equal brand and Cumberland Packing Co.'s Sweet & Low. Splenda is an ingredient in about 3,000 products globally, roughly half of those in the U.S., and major retailers like Wal-Mart have been clamoring for Splenda-based products to offer diet-hungry consumers.

Ms. Sandler says the market was ripe for a new sweetener with a great-taste message as "the obesity epidemic has people sitting up and re-evaluating their food choices." In terms of foodservice sales, she acknowledges that the brand has not been as strong in this crucial category. But she says it is a priority for the business. Splenda has signed a new distributor so that next year at this time, she hopes to have leadership there as well.

—STEPHANIE THOMPSON

# AdAge SPECIAL REPORT MARKETING 50

## National Football League John Collins

VP-SALES & MARKETING

IN SHORT ORDER, the National Football League has separated itself from being merely one of the Big 5 sports leagues to a marketing juggernaut that transcends games.

While its popularity has zoomed past that of Major League Baseball, National Basketball Association, National Hockey League and Nascar, the NFL hasn't rested on that success thanks to aggressive work by VP-Sales and Marketing John Collins.



Mr. Collins, 41, had previously worked on the ad agency side and was able to tap into the minds of both the marketer and consumer.

"Our feeling is that we compete ... with all the entertainment options that are out there," he says. That not only means competing for

viewers' attention but with the myriad marketers looking to allocate sponsorship dollars. So far, it's been a blowout for the NFL. The league has signed deals with new sponsors IBM Corp. and Levitra, from GlaxoSmithKline and Bayer. Both deals were for \$18 million over three years, but Levitra also promised more than \$50 million in ad buys. With the launch of its own NFL Network on cable earlier this month, the league has on board Levitra, IBM, Time Warner and FedEx Corp. But it's not just the deals. "We're selling a product," Mr. Collins says, "and we're selling it on several levels." —RICH THOMASELLI

## Puma Tony Bertone

GLOBAL DIRECTOR  
OF BRAND MANAGEMENT

PUMA SPORTSWEAR was a forgotten brand in 1994 when Jochen Zeitz, chairman-CEO of the German company, hired a young former record store owner and club promoter named Tony Bertone to jazz up Puma's image in the U.S.

Using product placement and street marketing, Mr. Bertone helped transform Puma into a hip brand among everyone from

skateboarders and soccer stars to Madonna.

Mr. Bertone, now 30, was promoted to his present role of global director of brand management of Puma International in 1999.

A key to the brand's bounce has been maintaining an underground feel in its advertising, despite the brand's soaring numbers, say Puma executives. Puma's sales are expected to increase between 30% and 40% this year vs. last year.

"Puma is an unpretentious brand with a homemade feel," says Mr. Bertone, who has inked sponsorship deals with motocross and soccer stars, as well as influential hip-hop musicians.

"We were able to capitalize on a niche in the marketplace that was open by redefining sportswear," says Mr. Bertone.

—KATE FITZGERALD

## Nigella Lawson Gavin Harvey

SENIOR VP-BRAND DIRECTOR,  
E! NETWORKS

WHEN "NIGELLA BITES," the TV show starring British cooking diva Nigella Lawson, was exported to the U.S. in 2001, executives of cable TV's fledgling Style Network pulled out all the stops to win a bidding war for distribution rights.

"For us it was more than a cooking show. It was about a lifestyle, and it seemed accessible to viewers," says Gavin Harvey, 45, senior VP-brand director for E! Networks, which oversees Style Network. (The price E! paid to Britain's Channel 4, which develops the show, was undisclosed.)

In the U.S., Ms. Lawson's multimedia success as a passionate cook with relaxed techniques has closely paralleled the rise of Style Network, which is expected to reach nearly 40 million homes by yearend.

"Viewers can relate to Nigella and aspire to be like her"

"Nigella is unique because viewers can relate to her and aspire to be like her," says Mr. Harvey, who's held numerous marketing positions at cable TV networks. The fact that Style Network has broad distribution in Manhattan has also helped the ratings surge of programs starring Ms. Lawson, he says.

"It's no surprise that New York, which is very influential in matters of food and style, is where 'Nigella Bites' won a lot of its first fans" in the U.S., he says.

—KATE FITZGERALD

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# AdAge SPECIAL REPORT MARKETING 50

## Curves International

# Diane Heavin

CO-FOUNDER

CURVES INTERNATIONAL HAS gone from one women's fitness center in Harlingen, Texas, to thousands of outlets nationwide, purely on the strength of women spreading the word among friends.

"Our most powerful advertising will always be referrals from our clients," says Diane Heavin, 42, who co-founded the 30-minute express-fitness franchised operation with her husband, Gary, a former executive with another fitness club.

A self-described "aerobics queen," Ms. Heavin saw a need for a female-only fitness center. "Overweight women are intimidated by traditional gyms, but they desperately need to regain their strength and vitality through fitness," she says.

Overseeing all advertising, Ms. Heavin orchestrated the launch of Curves' first national TV campaign this year, featuring women who were size 12 to 14. Publicis Groupe's Publicis, Dallas, handles. The goal was to log 120,000 calls to Curves' toll-free number within the first year, but the response was double that in the first nine months, she says.

—KATE FITZGERALD



## La-Z-Boy

# Kurt Darrow

PRESIDENT-CEO

FIVE YEARS AGO TODD OLDHAM and La-Z-Boy would have seemed an unlikely partnership. Mr. Oldham was the MTV-generation designer of Keds sneakers and jeans for young hipsters, while most people knew La-Z-Boy as making recliners for the older guy, more Frasier's father than Escada.

That Mr. Oldham announced last month he would be designing a collection of products for La-Z-Boy says a lot about the changes at the Monroe, Mich.-based furniture company. "Todd wouldn't have worked with us three years ago," admits Kurt Darrow, La-Z-Boy president-CEO.

Mr. Darrow, whose 1999 appointment as president of La-Z-Boy Branded Products sparked the evolution of La-Z-Boy, started with research. "It showed the brand had great attributes: comfort, reliability and affordability," he says. "But it did not register with the consumer as being stylish, and we knew it had to if we were to attract a younger audience."

"We [had to register as stylish for] a younger audience"

In addition to then adding more stylish products and finishes, La-Z-Boy also started remodeling its 320 U.S. stores around a central design center, which Mr. Darrow says, "shifts the transaction from a chair purchase to furnishing your home."

Doner, Southfield, Mich., the company's longtime agency, came up with a new look for advertising—striking shots of products in white limbo—and created a more style-oriented tagline, "The new look of comfort." The agency went beyond shelter books and partnered with magazines such as *InStyle* to find new consumers. It also scored a number of major PR coups such as getting La-Z-Boy included in the Academy Awards gift basket—prompting a host of stars including Sandra Bullock and Sharon Stone, to request recliners.

The result? Net orders on advertised products have risen more than 60%; sales in the remodeled stores rose 15% to 20%; overall sales, claims Mr. Darrow, have grown at about twice the average market rate.

—JONAH BLOOM

## LeBron James

# Aaron Goodwin

SPORTS AGENT

ALREADY THEY'RE calling LeBron James, boy wonder, the next Michael Jordan. And with good reason.

Despite graduating from high school less than five months ago, the 18-year-old eschewed college for the rigors of the National Basketball Association and is already drawing comparisons to Mr. Jordan, arguably the greatest player in the history of the game.

For that, Mr. James can thank his prodigious talent.

But he's also being called the next Michael Jordan after landing more than \$100 million worth of endorsements.

For that, Mr. James can thank Aaron Goodwin.

Mr. Goodwin, 42, runs Goodwin Sports Management with his twin brother, Eric. Aaron cultivated a two-year relationship with Mr. James; his mother, Gloria; and his mother's longtime boyfriend, Eddie Jackson, that paid off in May when Goodwin was selected to represent the phenom.

Mr. Goodwin helped broker monumental \$90 million deal with Nike

This wasn't a popularity contest, however. Previously a partner with sports agent Bill Duffy before opening his own company, Mr. Goodwin represents Gary Payton and several other NBA players, and was recently ranked 39<sup>th</sup> on *Sports Illustrated's* list of the 101 most influential minorities in sports.

Mr. Goodwin helped broker a monumental \$90 million shoe endorsement deal with Nike, as well as a \$12 million deal with Coca-Cola Co. to hawk Sprite—the brand formerly endorsed by another high school-to-NBA star, Kobe Bryant.

—RICH THOMASELLI

## Phyto haircare products

# Eric Domel

PRESIDENT, ALES GROUP'S U.S. DIVISION

PHYTO HAIRCARE PRODUCTS seemed to come out of nowhere last year when they began starring in beauty magazine photo credits and taking center stage at upscale hair salons nationwide.

But the 67-item line of highly concentrated botanical haircare products is no newcomer. Developed in France starting in 1969,

Phyto came to the U.S. in 1989 as a little-known, salon-only brand.

It was when Eric Domel, 50, a former export executive with Phyto's parent company, Ales Group, became president of the company's U.S. division in 1999 that the brand began to develop traction. He developed an in-house sales force to promote the line directly to salon professionals.

They "are like doctors to their clients, and what they say has tremendous credibility," he says.

Thanks to print advertising and strategic publicity by Phyto's staff, buzz surrounding the brand began to grow in 2001, and soared in 2002 when celebrities including Jennifer Aniston announced they used Phyto products and beauty magazines awarded Phyto honors for its unique formulas.

—KATE FITZGERALD

## iPod and iTunes

# Steve Jobs

CEO

APPLE COMPUTER CEO Steve Jobs this year becomes the first person to be named to *Advertising Age's* list of leading brands three times. He's made the Marketing 100 twice, as well as this year's section, the even more selective Marketing 50.

Not bad for a guy who never had a traditional marketing career. This year, Mr. Jobs wins for turning the charged debate over the illegal downloading of music over the Internet into a marketing opportunity. His dual platform approach includes successful marketing of the iPod music player in tandem with iTunes, its online music store.

In 1999, Mr. Jobs won the honor for repackaging his Mac in a slick translucent case at a time when PC marketers were duking it out on products with little or no margins. The next year, Mr. Jobs won for his iBook, offering wireless networking capability along with a juicy array of blueberry and tangerine colors.

Once again, Mr. Jobs is at the forefront of innovation. When the record industry was beginning to battle music lovers in court over the ripping off of songs, Mr. Jobs rolled out iTunes. The online music store simplifies the music buying process by coming up with a one-size-fits-all contract at the rock bottom price of 99¢, with most albums selling for \$10. And by perfect design, Mr. Jobs created iTunes to sell Apple's sexy iPod music player. Apple sold more than 336,000 iPods in the quarter ended Sept. 27, up 140% from the same period a year ago. In addition to ads backing the



store and player from Omnicom Group's TBWA/Chiat/Day, Playa del Rey, Calif., the iPod got promoted through a cool cross-promotional deal with Volkswagen of America. VW offered a free iPod to everyone who purchased a 2003 hard-top Beetle; an iTunes music giveaway program with PepsiCo is set.

Not only that, Mr. Jobs did a turnabout and offered the product to PC users, announcing the move at a presentation in front of an overhead that said "Hell froze over." More than 1 million tracks were sold in the first week the service became available to Windows users.

—ALICE Z. CUNEO

# AdAge SPECIAL REPORT MARKETING 50

## Michelob Ultra

### Bob Lachky

**VP-BRAND MANAGEMENT AND DIRECTOR OF GLOBAL BRAND CREATIVE, ANHEUSER-BUSCH COS.**

NEARLY TWO YEARS BEFORE most food and beverage marketers began jumping on the low-carb bandwagon, Anheuser-Busch Cos. was developing a formula for Michelob Ultra beer.

Bob Lachky, A-B's VP-brand management and director of global brand creative, credits August Busch III for coming up with a mandate to tap into the low-carb Atkins Diet craze that was brewing. "He was saying, 'Is there a beer product out there we can develop for an older lifestyle and keep Atkins in mind?'" says Mr. Lachky. By April 2002, A-B had a formula to test in the retiree



haven of South Florida, where Ultra had a "really good response." By September 2002, Ultra was ready for a national debut.

Not even the 49-year-old Mr. Lachky could have predicted the wild demand for the Ultra formula, which contains 95 calories and 2.6 carbohydrate grams per 12-ounce serving.

"The key decision we made was to go to TV support," he says,

noting weekly sales jumped immediately, including among 21-to-27-year-old men and women. "Secondly, we didn't know going in how powerful the Michelob name was," Mr. Lachky says, adding that despite the disrepair in the Michelob brand, "there was a latent understanding that Michelob meant quality and good taste. ... Low-carb was the introduction, and the [Michelob] name was a clincher."

Since its September 2002 launch, the waistline-friendly beer has added much welcome girth to A-B's bottom line, becoming the fastest-growing brand in the company's history. In its first quarter, Ultra sold 400,000 barrels, 100,000 more than Bud Light sold in its first year, according to Impact Databank. By the end of 2003, Ultra is expected to easily surpass 2 million barrels.

"We were amazed at how fast this brand was growing, so now we've tripled our projection," says Mr. Lachky. —KATE MACARTHUR

## 'Bend It Like Beckham'

### Nancy Utley

**PRESIDENT-MARKETING, FOX SEARCHLIGHT PICTURES**

TAKE A LITTLE FAMILY-centric movie with no big-name stars, a strange title and a cast sporting heavy British and Indian accents, and sell it to American audiences?

No problem for Nancy Utley and her team at Fox Searchlight Pictures, a division of News Corp.'s 20th Century Fox more accustomed to marketing R-rated art-house fare than mom-friendly flicks.

From the start, studio executives decided "Bend It Like Beckham" should be seen. And seen and seen. A word-of-mouth and publicity campaign would lead the way because those who saw it became "evangelists" for the film, Ms. Utley says.

To expose as many people as possible to "Beckham," the studio set up some 400 screenings of the film, "10 times what we would normally do," says Ms. Utley, 48, president of marketing at Fox Searchlight. "You sometimes feel like you're giving away



your gross if you screen a movie too much. But in this case, we felt we needed to market it in a very old-fashioned grassroots way."

Fox Searchlight held screenings for the Girl Scouts of the USA, Boys & Girls Clubs of America, YMCAs, soccer coaches and parents. They doled out 25,000 promotion items, from soccer balls to stickers. The film centers on a teenager who

aspires to play professional soccer, but she must first overcome obstacles from her overprotective Indian family.

The studio shelled out less than \$10 million in marketing, pulling in \$34 million at the box office. Its fall DVD release is expected to push the total take even higher. —T.L. STANLEY

## GM's 'Sleep on It' test drives

### Christopher 'C.J.' Fraleigh

**EXECUTIVE DIRECTOR-CORPORATE ADVERTISING AND MARKETING**

GENERAL MOTORS CORP. wanted to convince non-believers that its vehicles had improved significantly. So last April, GM started a major TV, newspaper and magazine blitz offering overnight test drives.

The idea came from an unusual source: John Larson, the carmaker's head of finance, sales, service and marketing. Christopher "C.J." Fraleigh, executive director of corporate advertising and marketing, says he then brought in staffers in forecasting, marketing and logistics to hammer out the 24-hour test drive program.

GM's corporate agency, Interpublic Group of Cos.' McCann-

Erickson Worldwide, Troy, Mich., used classic rock star Meat Loaf's "Paradise by the Dashboard Light" with the catchy refrain "Let me sleep on it."

The program exceeded GM's goals. Mr. Fraleigh said in late September that more than 350,000 people had taken GM vehicles home overnight, resulting in more than 100,000 incremental sales. "We got a lot of sales from people who otherwise wouldn't have considered our products," he says. Buyer consideration also rose. "The program more than paid for itself."



While the ads stopped after five months, GM extended the test

drives through 2003. "It's a valuable tool the dealer can use if the dealer thinks someone is on the fence," says Mr. Fraleigh, 40, who before joining GM in 2001 was VP-marketing, colas, at Pepsi-Cola Co.

GM's corporate ad spending, which includes "Sleep on It," more than doubled in the first half of 2003 vs. 2002 to \$161 million, according to TNS Media Intelligence/CMR. —JEAN HALLIDAY

## Phat Farm

### Russell Simmons

**FOUNDER, CHAIRMAN-CEO**

PINK SWEATERS MIGHT BE something you associate more with a women's clothing line than a hip-hop brand, but not if you talk to music impresario Russell Simmons. He's the founder, CEO and chairman of Phat Farm, a rap-inspired fashion label that's exploded into an empire of brands including everything from a women's collection, perfume and sneakers to branded cell phones.

"A pink argyle sweater is my favorite thing in the collection over the last 12 years," says Mr. Simmons, noting that Phat Farm has had 16 to 18 versions of the sweater over the years, even when argyles were perceived by others to be "ice cold."

Mr. Simmons, 46, says the spring line of Phat Farm Classics features more classics and argyles than ever before, which is staying true to its core market: rap music lovers who started buying Phat Farm clothes as teenagers in 1992. "It's the coming of age of the people who built the brand," he says.

The company says it expects to do \$310 million in sales in

"We've had the same vision [and] tried to build on that brand equity"



2003. An energy drink is even in the plans. Phat Farm works closely on ad campaigns with its agency, Center at Cain, New York.

Branding is second nature to Mr. Simmons. He even had a brief foray into advertising with longtime friend Donny Deutsch, opening dRush, an urban ad shop backed by Rush and Interpublic Group of Cos.' Deutsch.

While Mr. Simmons is reportedly negotiating with some fashion labels to partner with Phat Farm to expand into a more mainstream market, he has assured the media that whatever he does will not dilute his control. Since its start, he says, "We've had the same vision. We've only tried to build on that brand equity." —PATRICIA RIEDMAN

## Yoplait Whips!

### Doug Pritchard

**MARKETING MANAGER, YOPLAIT WHIPS!**

FEATHER BEDS, BUBBLE BATHS and fuzzy pink slippers aren't the hallmarks of traditional yogurt marketing. But Yoplait was out to evoke one major message with its new Whips! line: fluff.

In January 2002, the division of General Mills launched its first new cup product since 1989, with an aerated formula that combines the healthful attributes of yogurt with the indulgent texture of mousse.

"We were looking to drive the taste experience in innovative ways," says Doug Pritchard, the 37-year-old marketing manager for all of Yoplait's adult cup products. "Certainly, Whips! is able to take it into a slightly different occasion, as more of a treat."

Ad efforts focus on conveying the texture of the product by connecting to other light and fluffy experiences. Publicis Groupe's Saatchi & Saatchi, New York, broke a campaign last July that shows women enjoying things such as feather beds, bubble baths and fuzzy pink slippers. The catchphrase: "Everybody needs something fluffy to love."

In less than two years, Whips! has exceeded projections, racking up \$64 million in sales in its first eight months and upwards of \$83 million since Mr. Pritchard took over last October, according to Information Resources Inc. It has helped propel Yoplait to the No. 1 spot in the \$2.7 billion U.S. yogurt market, with 35.4% market share as of Sept. 7. —MERYL COHEN

# AdAge SPECIAL REPORT MARKETING 50

## Capital One

# Bill McDonald

EXEC VP-BRAND  
MANAGEMENT

"WHAT'S IN YOUR WALLET?"

Bill McDonald would like to know.

That ad tagline has turned Capital One from an unknown issuer of credit cards to a pop culture touchstone.

"When I told my friends I was coming here, it was 'Capital Who?'" says Mr. McDonald, exec VP-brand management. "We have come a long way from Capital Who?"

Before the campaign launched in 2000, Capital One's efforts included mainly direct mail and some "hit and miss" direct-response TV ads. Market research studies found 61% awareness among consumers, but when asked what they knew Capital One for, the main answer was: "I get a lot of mail from them."

"Not the bedrock of a great franchise," says Mr. McDonald.

The 3-year-old campaign, created by D'Arcy Masius Benton & Bowles, New York, helped build the company's awareness to 97% and, more importantly, brought other qualities of "The No-Hassle Card" front and center. Capital One kept the campaign after it moved the account to Interpublic Group of Cos.' McCann-Erickson Worldwide when Publicis Groupe shuttered D'Arcy as part of the integration of Bcom3 Group.

Capital One has also expanded its efforts into sports

"We think of  
direct as  
the ground  
troops and air  
cover is TV"



sponsorships, the latest being the sponsorship of ESPN's coverage of the college football championship series leading up to the Capital One Bowl on New Year's Day. Capital One has become an aggressive advertiser on TV sports programming.

"Advertising was certainly the linchpin, or the lightning rod," to the improvement, Mr. McDonald says. "We like to think of direct mail and direct channels as the ground troops, and the air cover is TV advertising."

—MERCEDES M. CARDONA

## Odyssey Two-Ball putter

# Mike Galeski

SENIOR VP-  
SPORTS MARKETING

WHEN PAUL LAWRIE MADE a 40-foot putt on the 18th hole during Scotland's Dunhill Links Championship in late 2001, golfers gasped. Next they wanted to know where he got the odd-looking putter with the two white dots.

It was the Odyssey Two-Ball, which has become the world's best-selling putter in less than two years.

"In golf, putting is more mental than anything else—it can be



finicky," says Mike Galeski, 47, senior VP-sports marketing at Odyssey Golf, which developed and markets the popular putter.

Odyssey is a division of Callaway Golf Co. "When people see pros winning with this putter, they want some of that luck," Mr. Galeski adds. "Plus, it works."

Media coverage, as well as dozens of pros who continue to use the putter in tournaments, have

driven Odyssey Two-Ball sales. So far, Callaway has spent less than \$500,000 on print ads in golf magazines and there are no plans for TV advertising. Matthews Evans Albertazzi in San Diego handles the campaign.

The Odyssey division is now expanding its line of clubs while the Two-Ball, a patented design, sinks all rivals.

—KATE FITZGERALD

## Pampers

# Deb Henretta

PRESIDENT-  
GLOBAL BABY CARE

PROCTER & GAMBLE CO.'S PAMPERS was in bad shape. The brand lost market share in disposable diapers to rival Kimberly-Clark Corp.'s Huggies throughout the 1990s, and its attempts to challenge K-C's dominant Pull-Ups training pants washed out twice.

But the high-end Baby Stages of Development line launched in 2001 in Western Europe and early 2002 in the U.S. has changed things dramatically for P&G's biggest global brand.

P&G has had 19 consecutive months of U.S. dollar share gains in diapers and training pants since Baby Stages launched, according to figures from VNU's ACNielsen Corp. reported by Banc of America Securities.

The line—which includes Pampers Swaddlers for newborns, Custom-Fit Cruisers for crawlers and Easy Ups training pants—rang up \$370.6 million in sales for the 52 weeks ended Sept. 6, according to Information Resources Inc. It

also gave Pampers a 19.5% share of a training pants segment, where it didn't compete two years ago.

For the first time in a decade, Pampers is building sales, volume, share and profit simultaneously, says Deb Henretta, 42, president-global baby care, who headed the trans-Atlantic launch after joining the business in 2001.

"We broadened our view from the narrow technical, functional focus on absorbency to a more consumer-relevant focus on baby development," Ms. Henretta says. "As a mom, this notion of products changing as babies grow was actually very intuitive and one that I saw in a host of other baby categories."

The "Learning From Babies" ad campaign behind Baby Stages, by Publicis Groupe's Saatchi & Saatchi, New York, mined insights about how babies' diapering needs to change as they grow.

—JACK NEFF

## Grey Goose vodka

# Sidney Frank

CEO, SIDNEY  
FRANK IMPORTING CO.

AT 83, SIDNEY FRANK is considered one of the most progressive spirits marketers in the business. And after 31 years as CEO of Sidney Frank Importing Co., it wouldn't be a stretch to say his addition to the Marketing 50 might be a tad overdue.

Mr. Frank, legendary for his ever-present cigar, jewel-toned jackets and bedside business meetings, set the industry standard for tightly controlled distribution and over-the-top brand promotions.

He is at once envied and admired, especially for taking Grey Goose, a follower in the \$25-and-up per bottle superpremium vodka segment, and growing it from 20,000 cases in 1997 to more than 1 million cases last year.

"I can't think of anything that grew that fast, that quick," says

Frank Walters, senior VP-research for industry tracker Impact Databank.

Despite an ad budget that's a fraction of the spending at behemoth rivals like Allied Domecq and Diageo, the privately held distributor has created massive buzz around Grey Goose with the results of an independent 1998 taste test that provided bragging rights as "the world's best tasting vodka." It handles advertising in-house.

Mr. Frank has been milking it ever since, much to the chagrin of rival Millennium Imports' Belvedere, which now is suing Sidney Frank

over ads highlighting those test results. Belvedere scored poorly in the 1998 test but far better in later ones.

Mr. Frank, however, is resolute that he's in the right.

"We don't have to enter a taste test to know we're the best," Mr. Frank says in his signature scratchy voice. "We let the court of public opinion decide."

—KATE MACARTHUR

handles all aspects of PS2 marketing and brand management in North America. Last year, he cemented the brand's identity with a campaign from Omnicom Group's TBWA/Chiat/Day, Playa del Rey, Calif., tagged "Live in your world. Play in ours."

But as with any good videogame, Mr. House, 38, still has more battles to fight in his role as VP-marketing at the Sony division.

Microsoft Corp. plans to make Xbox the centerpiece of its attempt to be the convergence entertainment device in America's living rooms, exactly the place Sony wants for itself.

Mr. House is confident his game plan will continue to work by sticking with his strategy of not

losing the ability to put himself in the shoes of the average consumer, and evaluating things by the simple question, "Is it fun?"

—ALICE Z. CUNEO

## PlayStation 2

# Andrew House

VP-MARKETING

ANDREW HOUSE IS ONE of the few marketing directors who have successfully kept the Microsoft dragon at bay.

Sony Computer Entertainment of America's PlayStation 2 is in one of every three American homes; out of the video console market alone, it owns more than half of the market while Microsoft Corp.'s Xbox is in the 20% range, according to analyst NPDFunworld.

"Andy House has built up the PlayStation brand into the most dominant videogame system ever," says David Cole, president of DFC Intelligence, San Diego, a marketing research company specializing in interactive entertainment.

In addition to duties that include managing developer and licensee relationships and content alliances, Mr. House



# AdAge SPECIAL REPORT MARKETING 50

## Wendy's Don Calhoon

EXEC VP-MARKETING

DON CALHOON STILL GETS mad when he thinks about the doom that business pundits predicted for Wendy's International following the January 2002 death of founder Dave Thomas.

"All the experts came out of the woodwork and took their shots," says Mr. Calhoon, exec VP-marketing at Wendy's. "I think two years later we've proved every one of them wrong."

In 2002, Wendy's rolled out its Garden Sensations line of premium salads with cross-platform marketing via AOL Time Warner, and launched its first national Hispanic ad effort through the Vidal Partnership, New York. Month after month, Wendy's posted same-store sales increases ranging from 3.9% to 7.1% while overlapping positive sales in prior years. When the chain in 2003 faced regrouped competition from McDonald's Corp. and Burger King Corp., Wendy's posted its first same-store sales declines in years, but investors and customers remained loyal.

In fact, the year following Mr. Thomas' passing was "the single greatest year in this company," counters Mr. Calhoon, 52. "That's a tribute to Dave."

It's also a testament to how the Wendy's marketing chief has kept "Dave's Way" top of mind in leading the department.

During Wendy's most critical year, Mr. Calhoon shifted his \$280 million account to Interpublic

Group of Cos.' McCann-Erickson Worldwide, New York, from Cordiant Communications Group's Bates Worldwide after Bates unbundled its media group. "Normally [if] you make a change like that after 15 years, it's going to cost you 12 to 18 months. That's not the case here," Mr. Calhoon says.

With a committed team in place, the other half of his marketing approach centers on how to think about the business. Among agencies and at Wendy's home base of Dublin, Ohio, Mr. Calhoon is known for his "media, message and creative" mantra.

"Everything we do will touch one of those buckets, and only when all three are working at the highest levels, will we get the most out of everything we're doing," he says. —KATE MACARTHUR



## 50 Cent Steve Berman

SENIOR EXECUTIVE-  
MARKETING AND SALES,  
INTERSCOPE GEFLEN A&M RECORDS

YOU CAN BUY ADVERTISING, but you can't buy street cred.

Steve Berman, senior executive-marketing and sales at Interscope Geffen A&M Records, part of Vivendi Universal's Universal Music Group, says the meteoric rise of 50 Cent began with authenticity. 50 Cent has it: rap sheet, former second-generation drug dealer and multiple gunshot survivor. He also helped to build his own buzz before he'd ever put out a record, by circulating his mix tapes and working the hip-hop circuit as his own goodwill ambassador.

"He had done so much to heat up the streets," says Mr. Berman, one of the architects of 50 Cent's ascent. "He was well on his way."

Interscope's sibling division, Eminem's Shady Records, signed 50 Cent after he was dumped, post-shooting, by Sony Music Entertainment's Columbia Records. Eminem featured 50 Cent on the sound track for his semi-autobiographical feature, "8 Mile."

That move was pivotal in introducing him to a mainstream audience, Mr. Berman says.

Then, for the release of 50 Cent's first CD early this year, 500,000 copies of "Get Rich or Die Tryin'" included a DVD about his up-from-the-streets life.

"We decided to tell a story," Mr. Berman says. "We knew this wasn't about one song; it was about how 50 Cent tapped into the culture."



He also had creative powerhouses Eminem and Dr. Dre behind him, which Mr. Berman and his team used strategically. The three were photographed together for the cover of XXL magazine, and they appear in the video for "In Da Club." —T.L. STANLEY

## Special K Red Berries Mark Baynes

VP-MARKETING,  
MORNING CEREAL GROUP

KELLOGG CO.'S SPECIAL K CEREAL touts one of the most remarkable turnarounds of a mature brand in recent history.

The cereal was going stale in the U.S. in 2001. Sales of the brand introduced in 1955 were slumping, and its Special K Plus line extension had just bombed.

It took freeze-dried strawberries to heat things up. Added to the cereal to create Special K Red Berries, Kellogg experienced its most successful new-product launch in more than a decade. The new cereal in the pink box was such a hit that Kellogg had to suspend advertising at one point to catch up with demand. Some of the initial advertising was created by WPP Group's J. Walter Thompson USA, New York, before Kellogg consolidated all its advertising at Chicago-based Leo Burnett USA, now part of Publicis Groupe.

"We knew there was a lot of interest in Special K by people who wanted a different taste. We unlocked that demand by

adding berries, and expanded our audience to include more men and younger people," says Mark Baynes, VP-marketing, morning cereal group, at Kellogg USA. Over the last 12 years, Mr. Baynes has held a variety of marketing positions with

Kellogg in the U.S. and U.K.

The technology to add freeze-dried fruit to flaked cereal was developed by Kellogg in France. Special K Red Berries was introduced there and in the U.K. in 1999, and sales immediately soared.

But when it arrived in the U.S. two years later, incremental sales gains were even bigger—as much as 95%—says Mr. Baynes, 42.

Special K Red Berries increased U.K. sales of the Special K brand by 50%, and in the U.S. the overall market share has increased from 1.8% in 2000 to 3.3% currently.

Another line extension, Special K Vanilla Almond, was introduced this year. Kellogg continues to target women with its "Kick-Start Diet" featuring the Special K cereal line, and the overall brand's sales continue to grow. —KATE FITZGERALD



## Nokia 3650 Quyên Nguyen

SENIOR PRODUCT  
LAUNCH MANAGER

NOKIA CORP. HAS BEEN in the thick of the revolution that brought cellular communications into American lives. Early this year, the Finnish telecom giant stoked demand for a product the gadget-mad, but recession-hammered, U.S. public hadn't seen before—the Nokia 3650, a mobile phone with digital camera.

The challenge fell to Quyên Nguyen, a 10-year sales and marketing veteran with a resume containing stints at Campbell Soup Co. and a Texas law firm. The 31-year-old Ms. Nguyen developed a campaign heavy on showing, not telling. "We learned [from market research] that once we show how easy it is to take a picture—in just two clicks—people get it, love it and they want to buy it," says Ms. Nguyen, who holds the title of senior product launch manager.

Last January's Nokia Sugar Bowl football contest in New Orleans became the launching pad for the 3650 in North America. In 2½ minutes during halftime, Nokia demonstrated the phone on the playing field with contestants engaging in a trivia game. Soon after that, the company dispatched Nokia demonstrators (dubbed

"In two clicks, people get it, love it and want to buy it"



"buzz teams") to the stores of distribution partners AT&T Corp., Cingular Wireless and T-Mobile USA. At special events, Nokia reps snapped would-be customers' pictures, obtained e-mail addresses and sent the images to their digital in-boxes. Nokia also managed to integrate the 3650 into Fox Broadcasting's "American Idol," a match for the camera phone's 18-to-35-year-old target audience.

The plan is working. According to Boston-based Strategy Analytics, camera phones outsold digital still cameras worldwide, for the first time ever, in the first half of 2003. —JENNIFER PENDLETON

## Tumi Chad Mellen

VP-MARKETING

TUMI, THE HIGH-END LUGGAGE COMPANY named for an Incan tale about a sun god, has rolled with the post-9/11 punches better than most premium brands, thanks to VP-Marketing Chad Mellen.

The privately held company experienced virtually uninterrupted growth through 2001. But in the aftermath of the 9/11 terror attacks, the travel category imploded, the luxury goods and services market sagged, and the recession wasn't far behind. Add to those calamities conflicts in Afghanistan and Iraq and the global SARS epidemic, and Tumi was no longer rolling full tilt on the wheels of its stylish wheeled cases.

"It was the catalyst that forced Tumi to change," says Mr. Mellen, a boyish 40-year-old who saw his opportunity and grabbed it. He devised a strategy to help propel growth again, developing direct-to-consumer distribution via the Web and its first catalog, opened international channels, spurred the creation of new product lines to target women and younger consumers, and struck partnerships and loyalty programs with the likes of Seabourn Cruises and Starwood Hotels & Resorts.

Women, a growing target for Tumi, currently make up 20% of total sales. "One bag fits all is a thing of the past," he says. In 2004, the former Coach executive plans to solidify relationships with a credit card company and an airline. —TOBI ELKIN

**Roomba FloorVac****Gregory White****EXEC VP-GENERAL  
MANAGER**

PIONEERING A NEW PRODUCT segment isn't easy—something Gregory White, exec VP-general manager at iRobot Corp., discovered when he took on the marketing of the company's Roomba FloorVac, said to be the first automatic vacuum in the U.S.

"It's such a new concept for people, it takes some real convincing," says Mr. White, 39, who joined the company early this year after a decade with the Holmes Group, a consumer portable electric-appliance company.

For instance, the 12-inch round model, named for the playful nature of its circular motion, still gets catcalls from critics for bumping into furniture, a characteristic that Mr. White explains is intentional. He says Roomba, which retails for \$199.95, is designed to gently bump into objects and then clean around them. The technology to avoid objects, marketed on models in Europe, is 10 times more expensive, he says, but he also argues that it leaves dirty areas around furniture. "That's a perfect example of marketing something that's so wildly pioneering," says Mr. White. "You have to make everything obvious. There's no conventional wisdom in this category."

Initial marketing efforts included product distribution in high-end retail outlets such as Hammaker Schlemmer, Brookstone and Sharper Image, followed up by a 28-minute infomercial. This fall,

We want to  
"open eyes to  
the promise of  
robotic  
solutions"



iRobot launched a \$7.5 million campaign via Brand Concept, Boston. Between now and the end of the year, TV ads will run on network and cable in 15 to 20 key markets. The tagline, "If it's down there, we'll get it," connotes the Roomba's ability to vacuum under beds, tables and other hard-to-reach places. The campaign also will include some direct marketing and newspaper ads.

While iRobot released two advanced models this fall, it's also expanding into more mass retail outlets. "Our most important goal is to open people's eyes to the promise of robotic solutions in their home," says Mr. White, who promises additional zippy products from iRobot in the near future.

—PATRICIA RIEDMAN

**'Pirates of the Caribbean'****Oren Aviv****PRESIDENT, BUENA  
VISTA PICTURES MARKETING**

NO ONE IN HOLLYWOOD expected a feature film based on a theme park ride to be successful, especially since a recent jaunt into that area, Walt Disney Co.'s "Country Bears," fell flat on its furry face in 2002.

Oren Aviv, president of Buena Vista Pictures Marketing, used those low expectations to his advantage when he and his team crafted the campaign around Disney's "Pirates of the Caribbean: The Curse of the Black Pearl." In fact, he adopted a do-the-



unexpected mantra for the Jerry Bruckheimer-produced film starring Johnny Depp.

The kickoff was a roadblock 2½-minute trailer in March that stretched across all the Disney channels, from ABC to ESPN to Lifetime. Mr. Aviv created the trailer in-house with Jim Gallagher, senior VP-creative film services, Buena Vista Pictures Marketing.

Disney had kept the movie's footage under wraps until that time, choosing an all-guns-firing media blitz to unveil the first trailer months before the premiere. "We sold it as a big summer action adventure event," says Mr. Aviv, 42. The TV stunt ignited buzz, a critical cog in the marketing wheel. Next came a glossy newspaper insert. By the time the regular ad campaign started, interest was stoked. "Pirates" has surged past \$600 million in worldwide receipts.

—T.L. STANLEY

**Tommy Bahama****Tony Margolis****PRESIDENT-CEO**

TONY MARGOLIS HAS A SIMPLE business mandate: What would Tommy do?

Since 1992, Tommy Bahama has sold shirts for the man who lives in Margaritaville or wants to look as if he did. The brand uses minimal advertising but has built an image around the fictional Tommy Bahama using store design and sponsorships.

That image has carried Tommy Bahama into a chain of 29 stores and six store-and-café "compounds" selling men's and women's apparel, home textiles, and even furniture. The stores were initially a way to show retailers that they could sell more Tommy Bahama product if they displayed it properly, but they have grown into the main marketing statement for the company, says Mr. Margolis, president-CEO of the chain.

It all started with trade show booths, says Mr. Margolis. The fledgling company put a full-court press on specialty retailers because department stores wouldn't give space to an untested brand.

"Department store America was in a constricting mode... If you weren't Ralph Lauren or Tommy Hilfiger, you couldn't get an appointment" with buyers, Mr. Margolis says.

So the company staked its marketing budget on a booth to display its wares at retail trade shows. The island style of the booth became the basis for the stores. The company began advertising three years ago with inserts in upscale magazines such as *Town & Country* and *Cigar Aficionado*. Its agency, Seattle-based Foundation, has handled advertising and store design since the first trade-show booths. "They grew up with us," Mr. Margolis says, "and they know Tommy as well as we do."

—MERCEDES M. CARDONA

For more of this year's Marketing 50 success stories, see [AdAge.com](http://AdAge.com) aap13y

**Milk 'n Cereal Bars****Eric Lucas****VP-MARKETING, BIG G  
CHILD & CHANNELS**

GENERAL MILLS' Milk 'n Cereal Bars are marketed to parents buying groceries for the kids back home, but a funny thing has happened since the 2000 product introduction.

Adults now account for half of the product's consumption.

In the highly fragmented snack and granola bars category, Milk 'n Cereal Bars rank fifth behind products from PepsiCo's Quaker, Kellogg Co. and General Mills' own Nature Valley brand. Sales for the 52 weeks ended Sept. 7 totaled almost \$73 million, according to Information Resources Inc.

But here's the catch: None of the four larger brands is coming anywhere close to recording the 33% annual sales growth

General Mills is seeing with Milk 'n Cereal Bars.

The product's popularity comes as no surprise to Eric Lucas, 40, VP-marketing for Big G Child & Channels. Familiarity with the core product is key, says Mr. Lucas, who favors the Cocoa Puffs bar, just as he liked Cocoa Puffs cereal as a kid. "I think our success is fundamental to the fact people like those cereals," he says of the four bar varieties. "Our message is quite simple. It's everything but the bowl."

Mr. Lucas is well-versed in how to market winning formulas in small packages. As marketing manager for the yogurt business, he was instrumental in developing Go-Gurt.

From the start, the marketing team wanted the message to be motivational and informational, hence advertising that continues to emphasize the bars' calcium and vitamins. "That's a message that consumers want to hear," he says.

—MARY ELLEN PODMOLIK

**Zocor****Deepak Khanna****VP-ATHEROSCLEROSIS  
FRANCHISE BUSINESS GROUP**

IN THE CAR RENTAL WARS, Avis' tagline of "We try harder" makes no bones about admitting it's second in the marketplace to Hertz. Merck & Co.'s cholesterol-lowering drug Zocor could say the same thing, running second to Pfizer blockbuster Lipitor in worldwide sales, but Zocor keeps re-inventing itself.

Perhaps the first pharmaceutical company to incorporate the sports world when it landed Atlanta Falcons coach Dan Reeves several years ago, Merck has used its philosophy as a science-based company to further the effectiveness of its drugs.

The latest campaign from Ogilvy Healthcare, a unit of WPP Group's Ogilvy & Mather, New York, features the outcomes of the largest clinical trial done with a cholesterol-lowering medicine.

The study by Oxford University showed Zocor 40 mg was effective in lowering the risk of heart attack and stroke—regardless of a person's cholesterol level.

Leading the charge is Deepak Khanna, who spearheads the marketing efforts for a product that generated \$5.6 billion in U.S. sales last year, second in the category only to Lipitor's \$7 billion. Mr. Khanna, as VP-atherosclerosis franchise business group, manages Zocor's business, profit and promotional plans, as well as managing of the U.S. Marketing Team.

Mr. Khanna began his career at Merck in 1988 in field sales, and progressed to positions of increasing responsibility within the U.S. Human Health Division. In all likelihood, he will oversee the next generation of the drug—the combo Zocor-Zetia, which should hit the market in 2005.

—RICH THOMASELLI



# AdAge SPECIAL REPORT MARKETING 50

## Combe Michael Wendroff

VP—MEN'S  
PERSONAL GROOMING

IT'S HARD TO MISS the point of ads backing Just for Men. Combe's bevy of aging sports stars and vibrant-looking middle-age executive-types drives home that "The Rejuvenator" dramatically improves odds of success in dating and business as it washes away gray.

Hitting hard on emotional benefits has kept men's hair color growing even as the women's segment has declined, says Michael Wendroff, 44, VP-men's personal grooming at Combe.

"There's more potential for guys to come into the category," says Mr. Wendroff, who came to Combe six years ago from Playtex Products. "More and more guys are acting in very different ways than their parents."



Though the hair color category's total sales fell 3.1%, Just for Men rose 5.6% to \$72.4 million and Combe's overall hair color sales, including Grecian Formula and new Maxim hair color for younger men, rose 5.1% to \$94.2 million in the 52 weeks ended Sept.

6, according to Information Resources Inc.

Combe attracted younger men by teaming with Dennis Publishing's *Maxim* last year for a new line featuring Carmen Electra. It's trying to overcome some men's reservations with a "Try-Out" rinseable Just for Men kit. "One issue that keeps guys from trying hair color is that they're concerned about what it will look like," Mr. Wendroff says.

Combe also hired La Agencia de Orci & Asociados, Los Angeles, to support a Hispanic shade of Just for Men this fall. But most Combe ads come from an in-house agency that Mr. Wendroff credits for much of the company's hair color success. "They're up to speed all the time," he says. "And they're sharing the same goals we have to make those cash registers ring." —JACK NEFF

## Citibank Brad Jakeman

DIRECTOR OF GLOBAL ADVERTISING

IS IT BETTER TO BE lucky than good? Brad Jakeman thinks Citibank NA managed to be both when it came to advertising.

The Citigroup unit captured the zeitgeist of the period after the stock market bubble burst with its "Live richly" campaign. The tagline on its TV commercials, "There's more to life than money. There's a bank that understands that," was practically sacrilege on Wall Street, but it struck a chord.

The campaign has shown legs, says Mr. Jakeman, director of global advertising. Since the advertising began in early 2001, it has remained relevant during the disillusionment sparked by the recession, the Sept. 11 attacks and a raft of corporate scandals.

"Some of that was serendipitous. The market attitudes moved in our favor," says Anne MacDonald, head of global marketing at

Citigroup's consumer division. But the campaign was also built upon a "human truth," Mr. Jakeman adds.

It started with a "significant" piece of market research as Citibank tried to find a new direction for the brand, Ms. MacDonald



says. The research found that while much of late 1990s advertising portrayed wealth as an end in itself, consumers really viewed money as a means to enrich their lives.

That knowledge became part of the brief when Citibank put its account in review, eventually moving it from WPP Group's Y&R Advertising, New York, to Publicis

Groupe's Fallon Worldwide, Minneapolis. The Fallon effort made fun of convention with print ads that urged consumers to "Hoard friends. Save money." One TV spot showed a child spinning in the arms of his father and the words "One sure way to get rich quick: count your blessings." —MERCEDES M. CARDONA

## Xtreme 3 Adel Mekhail

MARKETING  
DIRECTOR, SCHICK

LONG A DISTANT also-ran to Gillette Co., Schick had little to lose when it launched Xtreme 3 in spring 2002 as its first three-blade entry and the first brand in men's shaving to simultaneously launch in both refillable systems and disposables.

A year and a half later, the initiative headed by Marketing Director Adel Mekhail is paying big dividends.

Schick Xtreme 3 rang up sales of \$77.3 million for the 52 weeks ended Oct. 5, according to Information Resources Inc.

Its success under a 3-year-old management team brought in by Pfizer helped convince Energizer Holdings to pay what some analysts considered top dollar of \$930 million to buy the business in early 2003.

Xtreme 3 also helped convince Schick marketing executives they could compete effectively with Gillette despite their underdog

status, says Michelle Stearns, group brand director for men's systems at Schick. That in turn has helped fuel bigger and possibly better launches with the back-to-back 2003 rollouts of the Intuition women's system and Quattro men's four-blade systems.

Even before those more heralded launches, Xtreme 3 forced Gillette to respond to a Schick initiative for the first time in recent memory. As Xtreme 3 cut into

**Xtreme 3  
aided "trans-  
formation  
from follower  
to challenger"**

Gillette's much thinner lead in disposables, Gillette responded with its first major disposable initiative in more than a decade—Sensor3. According to a recent report by Morgan Stanley analyst Bill Peccoriello, Xtreme 3 disposables' repeat purchase rate rivals that of Gillette's high-end Mach3 systems

and is beating Sensor3. Plus, 30% of the buyers of Gillette Sensor3 have come from Gillette's more profitable refillable business, he says.

An opening act in a new category drama, Xtreme 3 aided what Mr. Peccoriello terms Schick's transformation "from follower to challenger." —JACK NEFF

## Oberweis Dairy Bob Renaut

PRESIDENT—CEO

OBERWEIS DAIRY counts paper cups and plastic spoons among its most powerful marketing tools.

"Every other company believes milk is milk," says Bob Renaut, 50, president-CEO. "We believe that's not true. The trick is to get the customer to taste our product... they'll try it and come back."

That strategy of product sampling has paid off handsomely. Annual sales have increased 15% to 25% for each of the past five years, and this year are expected to hit \$55 million for the company that serves the metropolitan Chicago, St. Louis and Indianapolis markets with milk, ice cream and related products.

Mr. Renaut's refusal to treat dairy products as a commodity also accounts for the company's steadfast commitment to using half-gallon glass bottles for its hormone-free milk, retailing for \$2.50 a bottle. It was only recently the company agreed to put any of its milk in plastic bottles, and that's only for a 12-ounce, single-serve product line. Another first came this summer when Oberweis ran its first local TV campaign, produced through Imagine Entertainment, Washington.

The 76-year-old dairy has 45,000 home delivery customers,

**"The trick is  
to get the  
customer to  
taste our  
product"**



29 Oberweis stores and selected supermarket accounts. The three-prong distribution strategy increases sales while building brand awareness and enabling cross-promotions and sampling.

"It's a tremendous door opener for us," says Mr. Renaut.

Mr. Renaut's goal is to take the company national within 10 years, using direct mail, increased TV advertising and consumers' taste buds. "We focus and stick to our knitting," he says.

—MARY ELLEN PODMOLIK

## Coach Reed Krakoff

PRESIDENT—EXECUTIVE  
CREATIVE DIRECTOR

COACH HAS HIGH FASHION in the bag today, but it wasn't always so. The brand, known for its hardy leather handbags, had fallen into a rut by the mid-1990s as consumers turned to more fashion-forward fare like Kate Spade.

Enter Reed Krakoff, who joined the company in 1996 as president and executive creative director. During his watch, Coach has expanded into new materials including fabric and straw, added shoes and new accessories, and even clothing.

The company also traded in its previous campaign for a more fashion-oriented effort. The latest ads, shot in-house, feature only product. For the last fiscal year, ended June 28, Coach net sales were up 35% over the previous year.

In a conference call with analysts, Coach executives said they've chosen to put Mr. Krakoff front and center in its contact with the fashion press to amp up the fashion image of the brand.

"The intention is to gain additional editorial space as we raise a consciousness that Coach is a designer-lead business," says Michael Devine III, chief financial officer.

New customers are spending 20% more on Coach products than before. "Our franchise has never been stronger," says CEO Lew Frankfort. "We're finding that consumers are accepting the broader world of Coach." —MERCEDES M. CARDONA

# AdAge SPECIAL REPORT MARKETING 50



## Head & Shoulders

# Diana Shaheen

GLOBAL MARKETING  
DIRECTOR FOR HAIRCARE

AT 40 YEARS OLD and with a commanding lead among global anti-dandruff shampoos, Head & Shoulders was a valuable brand for Procter & Gamble Co. But growing beyond that niche has meant trying a seemingly unlikely transformation into a beauty brand.

Through new scents, new conditioners and beauty-focused ads from Publicis Groupe's Saatchi & Saatchi, New York, such as a recent ad featuring Rena Sofer, a star of NBC's sitcom "Coupling," Head & Shoulders saw double-digit sales growth in the U.S. in 2001 and 2002. It's seen double-digit sales growth globally in P&G's past two fiscal years, ended June 30. In the current fiscal year, Head & Shoulders' goal is to become P&G's 15<sup>th</sup> billion-dollar global brand.

Amid a brutally competitive 2003, with major brand launches from Unilever's Dove and L'Oreal's Garnier Fructis and a new anti-dandruff offering from Suave for Men, Head & Shoulders still gained U.S. share, with sales of \$134.3 million for the 52 weeks ended Oct. 5, according to Information Resources Inc.

"Today's Head & Shoulders is not your father's shampoo," says Diana Shaheen, 39, global marketing director for haircare, whose duties include Head & Shoulders. Ms. Shaheen was also part of the teams that launched Aleve, the prescription analgesic, as well as Physique, the upscale haircare brand.

The key barrier to more consumers using Head & Shoulders was the idea that it was only for people with dandruff. So ads refocused on the broader problem of "dry, itchy scalp" affecting about half of the population, and it adopted a strategy of having new-product, conceptual or advertising news twice a year.

"We are in the beauty business," Ms. Shaheen says. "We are not this niche dandruff player. And beauty is about having news for our consumer every six months."

—JACK NEFF

## Two Buck Chuck

# Harvey Posert

OWNER, HPPR

EARLIER IN HIS CAREER in marketing and public relations, Harvey Posert helped launch Robert Mondavi's \$100 a bottle Opus One, creating a new superpremium wine segment. Now, Mr. Posert, 73, has built an even bigger franchise on the other end of the price spectrum—supervalue.

Working with Frank Franzia, who made his mark with wine in the box at Bronco Wine Co. in Celes, Calif., Mr. Posert has been the marketing hand behind the phenomenon of Two Buck Chuck. That's the well-known nickname for the \$1.99 corked bottle of Charles Shaw, a brand of wine produced by Bronco and selling only at Trader Joe's. At this point, Two Buck Chuck, by some accounts, makes up 12% of all California in-state wine shipments, and numerous other retailers have developed low-priced competitors.

Mr. Posert kicked off a national media campaign once he

learned that a Trader Joe's salesman in Orange County had dubbed a bottle of Charles Shaw wine "Two Buck Chuck," and Mr. Posert gave the story to the *Los Angeles Times*. Since then, the Memphis-born Mr. Posert, who learned the craft with Daniel Edelman of Edelman Public Relations and now runs HPPR, a wine PR consulting company in St. Helena, says the wine has become the subject of urban legend: One tale had it being sold cheaply

**"It's good for the industry because it brings people into wine"**

because Southwest Airlines could no longer bring corkscrews on airplanes. Another legend had Charles Shaw as a wealthy businessman who was practically giving the wine away to teach America about viticulture. Another was a new take on an old joke about a woman selling it for near nothing to punish her ex-husband.

No matter, Mr. Posert says, "It's good for the industry because it's bringing people into wine." Not all vintners agree, however, and a recent study found that while 5% of Two Buck Chuck drinkers are new wine consumers, the rest are trading down from pricier bottles.

—ALICE Z. CUNEO

## Beyblade

# Samantha Lomow

VP-MARKETING,  
BOYS TOYS, HASBRO

"THREE, TWO, ONE ... Let it rip!"

This has become the battle cry of boys everywhere as Beyblade tops continue to whirl their way from retailers' shelves to kids' hands.

"It's really been our mantra as well," says Samantha Lomow, VP-marketing, boys toys, at Hasbro, the Pawtucket, R.I.-based marketer of the Japanese sensation.

Action, battles, competition and strategy. For Hasbro executives, this simple formula has shot the Beyblade spinning top brand to success among the 8 to 14 set. The result: Beyblade, which Hasbro licenses through Nelvana, Toronto, helped propel the company's third-quarter U.S. toy net revenue up 23% over the same period last year.

The results are as notable as the toy's components are simple. The challenge pits kid against kid with a \$7 buildable top, a launcher and a portable "arena." Kids customize their tops for speed, impact or endurance, hoping theirs outlasts their opponent's.

To keep spinning this success, Hasbro pushes innovation. It regularly introduces new tops—75 to date—and launchers to keep the line fresh. This season, Hasbro introduced a radio-controlled launcher that allows the user to control the top during battle.

"As a kid, it's all about having the latest gear," says Ms. Lomow, 30.

**"As a kid, it's all about having the latest gear"**



Today, Beyblade and its followers, are a staple in major retailers. Wal-Mart Stores and Toys "R" Us host monthly Beyblade competitions, attracting hundreds of kids locally.

Grassroots promotions, advertising from Omnicom Group's Uproar youth marketing agency in Dallas, a promotion this fall with Burger King Corp. and the retail-based tournaments keep the products in kids' minds.

"We've gotten a complete, comprehensive marketing plan in place that lets us get deep in the market," Ms. Lomow says.

—JEFFERY D. ZBAR



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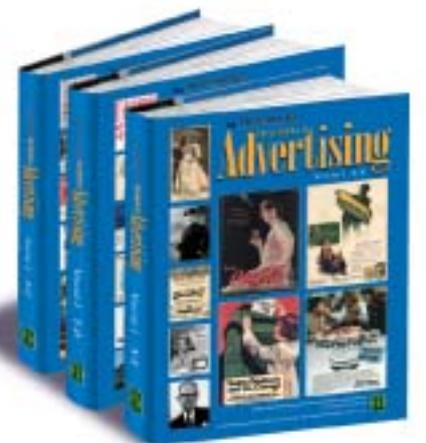
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# AdAge SPECIAL REPORT MARKETING 50

## Clorox ReadyMop Chris Vickers

MARKETING DIRECTOR

NEITHER HOME CLEANING nor Wal-Mart-besieged supermarkets and drugstores have exactly been sexy businesses in recent years. But Clorox ReadyMop rekindled growth in both areas when it launched early last year.

Procter & Gamble Co.'s Swiffer WetJet power mop, priced around \$50, had beaten ReadyMop to market by four months but was limited mainly to big-box mass merchants such as Wal-Mart Stores and Target Stores, clubs, and do-it-yourself chains. Many supermarket and drug chains passed on a product with a bulky package and high price point.

Then came ReadyMop, a pump-operated floor mopping system without WetJet's battery power but with a more compact package and priced around \$20. Despite the later start, ReadyMop quickly jumped into segment leadership.

ReadyMop rang up \$200 million in first-year sales, including food, drug, mass and Wal-Mart outlets, according to Information Resources Inc., making it Clorox Co.'s biggest new product ever and among the top 10 package-goods launches of the 21st century to date.

Strong retail support was perhaps the biggest key to ReadyMop's success, says Chris Vickers, 35, the Clorox marketing director behind the launch and an eight-year veteran of the laundry and cleaning business.

Beyond that, ads from Omnicom Group's DDB Worldwide, San Francisco, focused on ease of use over technical prowess. TV,

"We were talking about making the experience easier"



print and online ads ran in a campaign that included prominent placement of ReadyMop on such shows as ABC's "The View."

"Mopping's not highly technical, but it's a pain," Ms. Vickers says. "Instead of focusing on efficacy [like Swiffer], we were talking about making the experience easier for the consumer."

It didn't take long for P&G to adjust and cut WetJet's price close to ReadyMop's. That, plus strong Year 2 marketing support, have helped WetJet regain share leadership in recent months. But Clorox still holds a 10% to 7% edge in household penetration, Ms. Vickers says, which buys an edge in the number of homes wanting or needing to buy replacement supplies.

—JACK NEFF

## Crest Michael Kehoe

VP AND PRESIDENT-  
GLOBAL ORAL CARE

ONE PROCTER & GAMBLE CO. marketing executive likened joining the Crest team a few years ago to boarding the Titanic.

Several promising P&G marketers on the brand already had run up against an iceberg called Colgate-Palmolive Co., whose flagship brand chipped away at Crest in the 1990s to secure leadership in toothpaste in the U.S. Some fled the company after the ordeal.

But that was before Michael Kehoe, 46, a mild-mannered, unassuming Canadian manager with a flair for marketing, took the helm. As VP, and most recently president-global oral care, he's led the strategy that turned Crest toothpaste, one of P&G's biggest wrecks, into a fast-growing billion-dollar-plus oral-care brand that encompasses high-price Crest Whitestrips and Night Effects whitening kits, Spinbrush power toothbrushes and, soon, dental floss.

By outflanking Colgate in whitening kits and power toothbrushes while clawing back share in toothpaste, Crest has shot past Colgate for overall U.S. oral-care leadership in the past year with sales of \$706 million to Colgate's \$637 million, according to Information Resources Inc.

Mr. Kehoe prefers credit go to a marketing team headed by Diane Dietz, marketing director for Crest toothpaste and brushes, and Ayman Ismail, marketing director for whitening kits and new products.

Ads by Publicis Groupe's D'Arcy Masius Benton & Bowles, and later Saatchi & Saatchi, New York, have since helped stake Crest's claim to being more than toothpaste.

—JACK NEFF

## Longaberger Tim Straker

VP-MARKETING  
AND COMMUNICATIONS

NOT MANY COMPANIES can rely on the same marketing message for 30 years. But then not every product carries the mystique that's woven around a basket from Longaberger Co.

American-made, handmade and expensive, these baskets generate more than \$900 million in annual sales for the Ohio company, with nary a dime spent on conventional advertising and not one basket displayed on a store shelf.

Instead, Longaberger relies on some 70,000 direct sales people to push the product at home parties.

"I have 70,000 clients, that's how I look at it," says Tim Straker, 37, VP-marketing and communications.

"Our total success, our brand, it's nothing that comes out of a

marketing plan. Our sales field is our storefront. The story is what makes the basket so appealing. And no one can tell a story like a sales consultant in a living room."

Collectibility helps sell the baskets, too, he says. In addition to the core line of products, specialty baskets are made and marketed for up to two months and then retired from production in an attempt to drive up their value. On any given day, more than 12,000 Longaberger items are up for auction on eBay, from baskets to fabric and plastic basket liners.

The marketing message steeped in Americana will remain the same but the product line continues to be carefully extended. Pottery has been added, and Longaberger has been toying for a year with producing furniture using the same maple as in the baskets, like in quilt racks.

—MARY ELLEN PODMOLIK

## Band-Aid Liquid Bandage Sheri McCoy

WOUND CARE  
PRESIDENT

LIQUID BANDAGES ARE no longer futuristic hospital tools. And Johnson & Johnson's consumer products operation is working hard to make Band-Aid the brand king in this niche.

J&J Consumer Products Co. unveiled a groundbreaking concept in home woundcare, Band-Aid Liquid Bandage, in April 2002. Manufactured by Closure Medical Corp. and marketed under Sheri McCoy, woundcare president at the J&J unit, it was the first cyanoacrylate medical device approved by the Food & Drug Administration for the consumer market.

According to TMS Media Intelligence/CMR, J&J doled out

\$10.6 million in ad spending on the product during the first half of 2003 alone, 55.9% more than it spent in all of 2002. Working under Ms. McCoy, Sisy Vicente, wound care unit group products director, collaborated with Interpublic Group of Cos.' McCann-Erickson

Clearly, liquid bandages represent a growth sector

Worldwide, New York, which already handles other Band-Aid products, to create a cross-media campaign. It featured images of abrasions and the slogan "This is no place for a bandage. Or at least no bandage you've ever seen before."

With nearly every player in the category scrambling for a competing offering, it's clear liquid bandages are the growth sector for this market. According to ACNielsen, sales of liquid bandage products grew by 140.5% between May of 2002 and May of 2003, while the overall bandage segment reported only 8% total growth for the same time period.

—MERYL COHEN

## Aquafina Steve Sears

VP-NON-CARBONATED  
SOFT DRINKS, PEPSI-COLA NA

DESPITE A FLOOD OF value-price regional and private label players in the bottled water market, PepsiCo's Aquafina remains the leading national brand.

Growing its share to 17.8% of the market has been no small feat for Steve Sears, VP-non-carbonated soft drinks, and his team at Pepsi-Cola North America.

Mr. Sears credits Pepsi's bottlers for getting the 8-year-old brand to critical mass distribution and says his team added carbonated soft-drink marketing expertise and applied it to the brand.

While he says Aquafina continues to tweak its purity position, pricing has been a constant challenge in a category overflowing with local and regional players locked in a price battle.

"If you're not positioned uniquely, you get caught up in a price war," says Mr. Sears, 42, who joined the beverage division two years ago after 14 years with PepsiCo's Frito-Lay unit. "When we don't let price hold us back from closing the share gap, we really start to blow the competitor away. That tells us our brand is already stronger than established brands."



Pepsi this spring launched its first national media-supported promotion for the brand called "Pure Luck," backed by ads via Omnicom Group's Element 79 Partners, Chicago. John Sicher, editor-publisher of *Beverage*

*Digest*, agrees that Pepsi has done a good job in "blocking and tackling" behind the brand, adding that package differentiation has also been a key tactic. He says Aquafina continues to grow in the 30% range in supermarkets, continues to gain share and holds onto its lead in the category.

—KATE MACARTHUR

# AdAge SPECIAL REPORT MARKETING 50

## 'The South Beach Diet' Cindy Ratzlaff

ASSOCIATE PUBLISHER,  
RODALE

COPIES OF THE BEST-SELLING book "The South Beach Diet" were hard to find last April at the headquarters of its publisher, Rodale, because so many employees immediately jumped on the diet when the book was published.



"It has an intriguing name and the cover looks like a romance novel," says Cindy Ratzlaff, 51, associate publisher and director of marketing and communications for Rodale. "It's a diet book people aren't embarrassed to be seen carrying around."

Since its initial print run of 50,000, the book, by the cardiologist Dr. Arthur

Agatston, has been through 22 additional printings to hit more than 5 million copies, forcing the company to race ahead with sequels.

"This was a combination of Dr. Agatston's credibility, the diet's true appeal and a sort of refreshing imagery tied up with South Beach, Fla., that people can't seem to resist," says Ms. Ratzlaff.

—KATE FITZGERALD

## Bratz Isaac Larian

FOUNDER-CEO,  
MGA ENTERTAINMENT

FOR LONGTIME DOLL QUEEN Barbie, the sassy little upstart called Bratz is living up to her name.

The 9-inch knockout—with thigh-length hair, sultry eyes, puffy lips and removable feet for easy accessorizing—first strutted her way onto the fashion doll scene in 2001. This season, the doll earned her third straight spot on *Toy Wishes* magazine's list of the 12 most sought-after toys for the holidays, says Co-Publisher Jim Silver. "In the toy industry longevity is tough to achieve," he says.

Bratz is more than just a toy. Today, MGA Entertainment has some 200 worldwide licenses in place for the brand in everything from books, clothing and posters.

The man behind it all is Isaac Larian, 49, founder and CEO of MGA, and creator and owner of the Bratz brand.

Part of Bratz's success is that demographically, she doesn't try to compete head-to-head with Mattel's Barbie. Realizing that Barbie's strength is with 4-to-6-year-old girls, Mr. Larian decided to hit an older core market of 7-to-11-year-olds. Even teens and twentysomethings have been known to buy the dolls and fashions to decorate their rooms, he says.

So far, marketing has been handled internally with assistance from a variety of boutique ad shops and production companies. MGA created a spring 2003 promotion with McDonald's Corp.

All product and marketing development is done by a handful of executives in a conference room at MGA's offices in the North Hills,



Calif. There they brainstorm product direction, packaging, advertising and ways to make the product stand out among the competition, he says. Concepts are tested by a kid focus group. These range from hired test groups to every-other-Friday dinners with Mr. Larian's 24 nieces, nephews and his three children—especially Jasmine, one doll's namesake who was 9 at the time of Bratz's initial design in 2000. "They're my kitchen-sink focus group," he says. "These kids have really incredible toy ideas. That's where a company gets in trouble—trying to invent for a 7-year-old and not asking for their ideas."

—JEFFERY D. ZBAR

## Hyatt Corp. Wendy Falk

VP-MARKETING  
PROGRAMS

IN AN AGE WHEN the hotel industry has taken some hard knocks, Hyatt Corp. is fighting back with a bold new campaign that promises to match the best published Internet rates.

It's one more reason Hyatt stands out, propelling the hotel chain into the ranks of the Marketing 50. Behind the campaign is Wendy Falk, VP-marketing programs. Two 15-second spots created by Cramer-Krasselt, Chicago, tout Hyatt.com's "Best Rate Guarantee," which promises if someone finds a better published rate online, Hyatt.com will match that rate and give the guest 20% off their stay. "It was important to get out there more aggressively," Ms. Falk says. From internal research, Hyatt gleaned that "Customers really prefer to book with the brand if at all possible," says Ms. Falk, 37, who spent nine years at Publicis Groupe's Leo Burnett Co., before joining the hotel chain in 2001. She points out that Hyatt works with third-party travel sites but "booking on Hyatt.com is the best rate [a customer is] going to get."

The campaign also includes newspaper ads, direct mail, online

ads, in-hotel signage and promotions. Spending wasn't disclosed. According to TNS Media Intelligence/CMR, Hyatt spent \$10.7 million on advertising between January and August of 2003, flat from the same period last year.

Another focus for the chain, which runs 207 hotels and resorts globally, is attracting more business travelers. That goal is driving \$500 million in renovations at more than 30 of Hyatt's North



American hotels. But perhaps its biggest branding pitch for business travel came from overseas this year with the release of the critically acclaimed "Lost in Translation," the Sofia Coppola-directed film starring Bill Murray as a business traveler staying at the Park Hyatt in Tokyo. While Ms. Falk says Hyatt hasn't seen an uptick in business from the film, the company is offering a special package with some of the luxurious amenities that Mr. Murray's character enjoyed in the film.

Going forward, she says, Hyatt.com will play an increasingly central role in the company's strategy. "We're trying to provide value to people with an added experience," she says. And after a tough few years, things are beginning to look up, she says, adding, "We're starting to see better demand."

—PATRICIA RIEDMAN

## Nexium Linda Palczuk

BRAND MANAGER, ASTRAZENECA

CHANGE IS INEVITABLE. Change is also difficult. But when AstraZeneca made the change in prescription heartburn medication from Prilosec to Nexium, the change to the "purple pill" made the competition black and blue.

Behind the efforts of Brand Manager Linda Palczuk, AstraZeneca has done a terrific job of switching users from Prilosec—which went over-the-counter in September—to Nexium. In 2001, Nexium generated \$580 million in sales. In 2002, the product generated \$1.98 billion in worldwide sales, and analysts expect it to reach \$3.5 billion by 2006.

Moreover, AstraZeneca beat analysts' earning estimates in October with a 19% increase in third-quarter profit.

How did it happen? Good product, helped by heavy promotion and advertising. One can't help but see the advertising. Publicis Groupe's Klemtner Advertising, New York, handles those efforts, which include TV, print and online. AstraZeneca spent \$198 million on direct-to-consumer campaigns in 2002, \$192 million of it on Nexium.

—RICH THOMASELLI

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