

## Achieving More

**An Interview with Jay Santamaria,  
Chief of Staff, Active International**

**EDITORS' NOTE** Jay Santamaria serves as adviser to the Chairman of Active International and is a senior member of its Global Leadership Team. He brought more than 40 years of business and talent management experience to Active. Prior to joining Active in 2016, he served in executive and HR positions at RJR Nabisco and ITT, and for more than 20 years as CEO of BeamPines Inc., a global talent management consultancy, where he still serves as Non-Executive Chairman. Santamaria graduated



Jay Santamaria

from Lafayette College with degrees in history and education and has continued his training in labor relations, diversity, finance, compensation and incentive design. He is a certified Master Coach and served as a faculty member of the U.S. educational division of Middlesex University's graduate program in Professional Development. Santamaria is also Director and Founding Partner of G2Collective Inc.

**COMPANY BRIEF** Nearly four decades ago, Active International ([activeinternational.com](http://activeinternational.com)) disrupted the marketplace by developing an innovative, market leading, client-centric approach to corporate trade. The development of best-in-class solutions has led Active to evolve into a commercial innovation company. Active's purpose is to transform data into insights, strategy into action, and vision into value. With the entrepreneurial spirit of a startup, and the capabilities of a global corporation, Active continues to redefine what's possible and turn possibilities into positive business outcomes. Active drives performance through industry expertise, its Corporate Trade Model and portfolio of companies with a core competency in media, to create and deliver value for leading brands throughout their business life-cycles. With a global team comprised of business innovators, industry leaders, media mavens and finance experts, Active is dedicated to delivering new levels of financial flexibility and custom solutions. An employee owned company, Active's client success comes first, as well as the betterment of its people and the communities in which they live.

**Do you define Active today as a corporate trade company or has it become a commercial innovation company?**

We have certainly evolved to become a commercial innovation company. Our expertise, combined with the portfolio of companies we now bring to bear, allow for us to deliver an extensive range

of solutions. We represent possibilities for companies to improve their bottom line, to expand and grow and to achieve more<sup>SM</sup> and that basically comes from our value creation proposition.

That value creation proposition started with corporate trade, which is a very elegant formula that has been legitimized by top auditing firms. We now have standardized ways of treating revenue recognition and other elements of trade. Corporate trade is more of a business product that we offer, but it is not our only business. We've expanded from

complete reliance on trade to many other derivations of that solution in areas that we did not work in before.

We tried to get ahead of the curve on the digital transformation in media. I actually see that digital and linear are going to intersect eventually and we're seeing that beginning to happen now. To prepare for this, we just completed the formation of a performance-based short form DR and digital agency. It was a very timely investment in a concept that continues to gain traction and we're going to get a lot out of this business.

We have developed a broad expertise in many of these transformational fields, all of which have become monetizable business lines for us. Corporate trade is still in our DNA, but we now have a diversified portfolio of services that we can offer to clients who want to achieve more.

**Are Active's service offerings focused on companies across all sectors?**

Absolutely. There isn't a business or industry that we can't work in, especially if they have some sort of media spin, which is our sweet spot given our long-standing expertise in media. There are other services that we provide that are derivatives of the media industry that we're getting into to expand our expertise.

This has also led us to invest millions in the development of our own technology. We now own patents and have other patents pending in areas such as optimization processes for buying. Case in point is our automated unwired platform, XACTV, which we developed in July 2016 and launched in 2017. XACTV has become a significant business for Active.

The XACTV advanced technology platform uses multiple proprietary and patent-pending technologies with artificial intelligence support from IBM's Watson. It is designed to optimize buys across the country into a national program. It creates a

national footprint utilizing 140 to 150 local stations versus the five or so actual national networks. It can string together optimized buys at each one of these stations for specific time slots. National advertisers can still specify when they want their message to air nationally, but with our optimizing unwired technology they can do it for a lot less money than they could by buying a national spot with a national media provider.

**Is it challenging to manage the human resources function when the business is going through such a transformation?**

Because Active is headquartered in Pearl River in Rockland County, we have always drawn from an excellent local workforce who appreciate working here because it's only a few minutes from their house. As we have gone through this kind of transformation, we have had to re-energize our culture and have found that most of our people are excited about the changes and have transitioned well.

It has certainly impacted the type of executive we recruit. Today, we look more for those who can add strategic thought leadership rather than those who just know how to execute media transactions. It starts at the top with questions like: Where are we going? What's the mission here? How are we going to get there? Who is going to get us there? How are we going to know it works? These are the fundamental pillars of supporting strategies that can be executed.

We haven't always done a lot of this in the past; we set revenue numbers to get so many assets and buy so much media and then set a target for next year that was higher than the previous year. Not a lot of thought went into how we were going to achieve that target.

**How critical are diversity and inclusion to the culture of Active?**

It is very important and is something that we're constantly working on. It's a challenge, particularly given our location. As a statistical recruiting area at the executive level, Rockland County might not offer a lot of options. We have to go to find those executives in New York City. That becomes a bit of a challenge, but we're making progress.

I would say that we have been most successful in attracting, developing and promoting women at the vice president level. If I were to look across the ranks, I'd say that we are very well represented by women in key positions. In fact, today, 50 percent of our executive vice presidents are women. We're slightly under-represented by minorities when compared to the national averages, but that's not to say we're not working on it.

### **What is Active doing to attract more minorities to its workforce?**

We are starting at the entry level hiring gate and, while we may not see an immediate effect, we did start something that could help. In late 2018, we were approached by a consortium of minority agencies and asked for some ideas. The conversation eventually landed on how traditionally black colleges and universities helped their students with their careers at graduation and beyond. We have had some experience with career counseling, even at the university level, and we have a very good online tool that Active has adopted called eTeach. We have used the platform for a lot of our training and coaching initiatives ranging from leadership to very specific training courses in media and advertising which is an area of expertise for us. Several years ago, we developed for commercial purposes a set of modules on eTeach designed to serve as support training for college placement offices called CTC-University(Career Track Counseling). While there are over a hundred of these institutions, it seems that only a handful of them have sufficient resources to staff and deliver placement services for their matriculating students. The task is usually assigned to a department faculty member with no particular expertise or training in career counseling. With one of our co-founders' support, Active took the original CTC U training material and re-wrote the curriculum using minority counselors with expertise in this area. Now that its geared to minority audiences, we are planning to approach these colleges and universities and give them the platform and content, offer them training in how to use it and help them improve their overall placement rates. This initiative falls under our 501 (c)(3) organization called Active Cares.

#### **How will this effort impact Active?**

In the short run, it may invite curiosity about Active as a sponsor of this counseling and curiosity about the advertising industry in general as a career option. In the long run, we may be able to get colleges and universities to focus more on providing contemporary courses in advertising and media, which would be good for the industry and good for Active. Media is a very dynamic and complex subject these days and we know we have the expertise to help train future generations of employees.

#### **As Active has grown in size and scale with its international presence, is it more challenging to maintain culture?**

I spent my first year or two at Active conducting a leadership training program called Agile Leadership. It was a 12-month program where senior people gained a greater understanding of themselves, their leadership styles, how they approached conflict, and how they approached working together and collaborating.

It was quite telling and I intentionally included a number of cohort leaders – it was like a graduate course. I took the international teams and held monthly cohort meetings with them. They would each complete a module delivered through our technology and I could then talk with them about how we're now going to leverage that technology in media to open up new markets and develop new business.

This also gave me the opportunity to get to know them and their culture. I found that the international esprit de corps was something that I could use as a role model for the U.S. business. We started getting the international senior leadership team more involved with the U.S. groups.

Last year, we were able to take advantage of a senior opportunity and actually promote and transfer one of the women from the U.K. into a senior role reporting to the Chief Operating Officer and the Chief Financial Officer here in the U.S.

With technology facilitating communication and information sharing, it's not as difficult as it might seem to be a global company. We're actually trying to get the U.S. business culture to look a little more like the international cultures. With 50 people on one floor in an international office, they can all look in on one another and share information. In the U.S., we've got four floors.

The work environment counts too. Beginning in 2018, we've undertaken a long-overdue renovation in our Pearl River office, primarily stimulated by technology. We have old wiring that can't carry the volume of data throughout the building that we need. As long as we're going to be ripping out the wiring, we're also going to rip out the walls. When we rebuild the walls, they will be transparent glass walls. This is just one of the symbols of how we're enhancing our culture.

We're moving departments around so that we have groups that need to work closely together in the same geographical proximity. They won't have to call or send an e-mail; they can just stop in and visit. All these little things facilitate collaboration and enhanced communication and tear down the silos that existed here for years.

#### **Do you also define Active as a technology company today?**

Active is a media services company that leverages technology to facilitate and fit in with the organizational and business goals of its clients. Are we going to be in the business of developing software for sale? We've done some of that, and will do some in the future, but our focus will mostly be on customizing software and only building software if we need to, so we can serve our clients' needs.

I have this philosophy that you either rent it, buy it or build it. It all depends on what you are trying to achieve. With the unwired network, nobody had what we needed, but we saw that there was an underserved market. We started with a little prototype and said, "All right; this just might work."

Then we realized that if we were going to go full speed on this, we really had to engage a development company and add some rather sophisticated artificial intelligence or cognitive computing to the mix. That is how we connected ourselves with Essextec and IBM Watson. In fact, if you go to the IBM website you're going to see a case study on Active there because we are what they consider an industry disruptor with what we've done with that particular technology. IBM sent an agency in to do a video with us on that particular bit of technology because they were very proud of the end result.

#### **Will there be additional collaborations and partnerships for Active?**

It will certainly happen with other leaders, strategic partnerships and the use of consortiums.

If you were to look at what agencies do and how they do it, it's a very old hierarchical business model. If we're going to truly be agile and nimble, we have to be able to do anything another agency can do but do it faster and for less money because we're developing networks of experts. We don't own them all and they are not exclusive to us, but they have talent that we can leverage with our network where we need it for a client. And let's not forget our value proposition that starts with trade and a myriad of other potential solutions.

We know we can help a client with what they need. First of all, we will size up their situation. Then we will zero in on what they need and the results they expect so we know if it's successful. Finally, we will go out and put the process together that will deliver this for them. It sounds a lot like consultancy in some respects. It's always been about the media and we have always been buying media, but we have this added dimension of trade that allows us to play this in a different way.

#### **With all that you are doing with Active, do you ever think about retirement?**

Let's put it this way; I'm having fun and I see progress. There are still a lot of challenges. I look at this in a Druckerian way – referring to Peter Drucker, the father of management consulting. His fundamental conclusion on capitalism was that it is the most effective form of socialism. Why? Because capitalism creates value, value creates opportunities and, while 1 or 2 percent of the top people in the capitalist system are going to abuse it, that is true of any system.

At the end of the day, if we can create an environment that creates jobs for people and it grows, then we're doing a good thing for our community, for our society, and for our country. It all falls into place at a 50,000-foot level that way. With Active, we have 700 souls that work here and, like an old ship captain, you always logged how many souls you had on board, and that's literally the terminology we use. It is up to us to land them all safely.

You see, much of what I learned about business I learned by operating a tall ship with my wife for about 15 years. Her concept was to train young girls in leadership and teamwork and build their confidence in ways that only a unique, challenging experience could do. For her, it was our 110-foot topsail schooner. This tall ship was too big and complicated for any one person to manage, so we used our professional crew to train these young women. When we needed it, we brought in experts to help. Our success in safe passage-making depended on training, teamwork and communication.

A company like Active is no different; it needs leadership, everyone knowing their jobs, working as a team and communicating in that special way that only a team or a well-trained crew can do. At the end of the day, we have been doing this for 35 years; how do we get this organization shaped up for another 35 years and 35 years after that? Sustainability is the key so that Alan (Elkin, Chief Executive Officer) and Arthur (Wagner, President) don't have to be here, so that we have a succession plan and a strategic business plan that will carry it into the future. That's really the endgame. ●