

How To Make a Difference

An Interview with Philip H. Geier Jr., Chairman, The Geier Group LLC

EDITORS' NOTE Philip H. Geier, an advertising professional, became Chairman and Chief Executive Officer of the Interpublic Group of Companies in 1980. He retired from that position in 2000. During his 20 years there, it became the number one advertising holding company with a compound growth rate of 22 percent per year. In addition, Geier served as Chairman of the Ad Council, was an active member of The Business Council, created economic stimulus proposals for three administrations, and served on a number of government task forces. Geier serves as trustee for the boards of Autism Speaks, Memorial Sloan-Kettering Cancer Center, and Save the Children Federation. He also serves on the Board of Overseers for Columbia University Business School. In February 2001, Geier formed The Geier Group LLC. He continues to serve as Director on the boards of AEA Investors Inc. and Fiduciary Trust International Inc. and is a Senior Advisor at Lazard Frères & Co. LLC. His recently published book, *Survive to Thrive*, can be purchased at Amazon.com and all the proceeds will go to Save the Children and Autism Speaks.

COMPANY BRIEF The Geier Group LLC (www.geiergroup.com) is a specialized consulting resource, devoted to providing marketing insights and perspective to improve a company's performance or to augment a potential investor's valuation assessment. The Geier Group helps answer questions concerning the marketing dimensions of a business to complement internal financial and other quantitative analyses, thereby leading to more accurate valuations, better decisions, and improved results. Such assessments – brand positioning; marketing communications planning; advertising development and approval processes; and competitive insulation – leads to better decisions and improved results.

What made you feel it was the proper time to write your book, *Survive to Thrive*, and what is its key market?

While there are many books about the creative side of advertising, there weren't many that explained how the global market communications business has evolved from a business perspective, and even fewer that tell the global story with a personal perspective. This book is part business bible, part advertising history, and part personal

SURVIVE to THRIVE

Sustaining
Yourself,
Your Brand,
and Your Business
from Recession
to Recovery



memoir, tying in the actual stories – including some failures – that happened to me throughout this 30-year span, and the lessons learned. I envisioned it also as a learning tool for younger people. A lot of what we did seemed to work, so I thought it might be helpful to others as well. As it turns out, I'm getting some very good responses from younger people who read the book.

Many companies cut marketing and communications budgets first in an economic downturn. Is that wise?

One of the biggest problems is that companies, large and small, end up cutting back on their research and development, as well as marketing funds, and innovation suffers. But some of the companies that were having trouble before the recession have really blossomed – Apple is one of them; it opened up retail stores, developed the iPod, and took off. So I try to help people realize that the innovation is really important when you go through a recession – it is where you can make back the investment and maintain the vision of the company coming out of it.

Many suggest that the development of the Internet and new communication technology will make newspapers and magazines obsolete. Do you agree?

When television was developed, everybody said radio would disappear – it's not going to happen. What will happen is the continuous arrival of new venues – now your phone has advertising on it, for instance. At one time, maybe 12 years ago in Japan, if you went by a McDonald's, your phone automatically rang and told you there was a deal. Today, you have the ability to choose what you want to know about. Companies have to take good ideas and run them through the various pipes and the different media outlets. So there will always be a place for magazines and newspapers – it just depends upon how they're going to be utilized.

Will there be a role for the smaller, niche marketing firms in the future?

In the mid-'90s, the globalization of agencies worldwide was big – I saw the beginnings of it in England and in the U.S. The new creative agencies were starting to take assignments from the big guys. To protect us, I decided that we should buy some of these smaller creative agencies and let them utilize the

international resources of one of our big local agencies. The little creative agency would want to join us but still be independent. That's how we brought in six very good creative agencies in the '90s, and as it turned out, it gave us a new leadership position for our clients. The Martin Agency is a good example of that.

During the years at Interpublic, you were very focused around what everybody now refers to as corporate responsibility. Where did that drive come from?

It came about when I was in London where we were not really well known – we had big international accounts and no local accounts, and I realized you have to be involved with the community to build your business on a local basis.

Do you feel there is any merit to the concern that the U.S. is losing its lead in innovation and competitiveness?

The real problem we've got is that our youth today has to be able to compete, and on an educational basis, we have to make sure we're preparing them to do that. I'm more worried about that aspect long term. The one thing about America is that we innovate very well, and that is our strength. But long-term, unless we have an educational system that is above par, we'll be in real trouble.

This is a time when you could have taken it easy and done what you wanted, but you've now started your own business group. Are you unable to slow down?

Many a time, I've thought about it, but I got involved with working with Lazard and that, in part, led to the acquisition work I do. Then I got involved with my own marketing communications consulting business. It works with smaller private equity companies that have marketing expertise needs in their group, so they hire us for three or four months on a business they're going to buy or one they bought and need some help. My third focus is venture capital work, where we help young entrepreneurs who are starting their businesses. I have always done a great deal of nonprofit work as well. ●