

## An Emphasis on Talent

**An Interview with Michael Roth,  
Chairman and Chief Executive Officer, Interpublic Group**

**EDITORS' NOTE** Michael Roth was appointed as Chairman in July 2004 and became CEO in January 2005. He had been a member of Interpublic's Board since 2002. Before this, Roth was Chairman and CEO of the financial services holding company, the MONY Group. He sits on the boards of directors of Pitney Bowes, Gaylord Entertainment, the Committee Encouraging Corporate Philanthropy, the Baruch College Fund, the Partnership for New York City, and Enterprise Foundation.



Michael Roth

Roth is a certified public accountant and the recipient of an LL.M. degree from New York University Law School and a J.D. from the Boston University School of Law.

**COMPANY BRIEF** Headquartered in New York, Interpublic Group of Companies, Inc. ([www.interpublic.com](http://www.interpublic.com)), was founded in 1961 and is one of the world's leading advertising and marketing companies. From global communications networks like McCann Erickson to domestic advertising agencies like The Martin Agency in Richmond, Virginia to global specialists like the events marketer Jack Morton, sports marketer Octagon, and public relations experts Weber Shandwick, Interpublic agencies span the globe, employing 43,000 people in more than 100 countries, working with clients like L'Oréal, Unilever, and MasterCard.

**How do you see the economy today and are we really on the road to recovery?**

Yes, we're on a road to recovery. Last year, everyone saw a spike in growth because we were coming off an easy comp in terms of a difficult time. But there is a lot of uncertainty out there. So even though business is okay and people are looking to a recovery, they're still worried.

But people have cash and are willing to invest in their businesses, and our clients view marketing services as a place to spend their dollars. They demand high accountability, so when we spend their dollars, they need to see that we help them move the needle and get return on their investment.

**Many of your brands are global. Does the U.S. still offer opportunity or will most of your growth come from overseas?**

The U.S. is still an important and vital market for many of the multinational companies. But

in terms of future growth, all CEOs are talking about investing in BRIC, Africa, and parts of the Middle East. These are markets everyone is looking at for future growth, so we have to be in a position to help them in those markets.

**Do you see a role for print advertising in the future and how have you evolved your placements?**

It's not as large as it once was, but there is a role for print, especially in trade publications.

But campaigns now have to be integrated. You have to look at the media, the creative, the digital, the PR, and the experiential marketing, and print is part of that. The question is, how much gets spent on print and what is the return? So depending on the products, you have to pick and choose where it has its place.

But there is no question that the huge growth in digital is coming at the cost of print. It's not the video that is being impacted – that's growing as well; not as rapidly as digital, but a lot of the dollars are coming from print and moving into digital. Print is still an important medium and we have to give it its place in our integrated offering.

**How critical is it today to have metrics in place to show impact and is it always possible to do so?**

It's critical to provide them, because clients will spend dollars only if they're comfortable that we're moving the needle. In fact, having good metrics in place and a good basis from which to compare is how we get incentive compensation on what we do.

**Will the differentiation in this business always come back to your human capital?**

Ours is a service business and we have to have the tools, the geographic reach, and the various offerings – marketing services, creative, PR, experiential marketing, sports marketing, etc. But you also have to have the relationships and people who understand the brands that our clients are working with. Nothing takes the place of the talent you have who understand and can talk about the brands backed by those tools you developed for them to work with.

**Does the top talent understand what a career in this industry can offer?**

This is an incredibly exciting time to be in marketing. We are recruiting and getting top talent, especially the people who understand new media. It's a great career. It's exciting because

it changes every day. We're actually opening a new media lab in New York in the fall and using it as a test base for some new ideas. There have never been so many platforms at our disposal with which to engage consumers. Devices are not only proliferating, they're becoming more interconnected every day. And people see our industry as being at the nexus of all this change – it's a great place to launch and build your career.

**How critical is corporate responsibility today and is it important that what you support be aligned with your business objectives?**

I believe in good corporate citizenship, and whether it be in the marketing services or in working with various organizations in the community, we have a great resource we can bring to the table. Our people embrace that in terms of our volunteerism.

It also helps in recruiting because people want to work for companies that stand for something. It works into our diversity and inclusion programs as well, which are critical.

So philanthropy and good corporate citizenship go hand in hand.

**Through the Partnership for New York City, members that often compete come together to address the city's issues. Why has the Partnership been so effective?**

If every single company was just doing it on its own, it wouldn't have the impact. It's an important resource to help ensure the DNA of New York – be it the strong capital market presence, investment banking, the whole financial service environment, innovative technology, or entrepreneurship – remains intact. If it wasn't for the partnership encouraging state and federal legislation to do that, New York City would not maintain its standing on a global basis, because there are other markets out there looking to capture what we have here.

**What are you most focused on to make sure that growth continues?**

Our emphasis is on talent, and that includes diversity and inclusion; resources to make sure we're making investments in new media and new technology that are necessary to compete; and that we're poised in the various markets that are growing. Expansion in those others markets that are growing is critical.

**Is it challenging to find the time for direct client interaction?**

It's challenging, but imperative, to get in front of them because I want to hear directly from them what they see in the future so we can be aligned with our clients. ●