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## Wendy's Taps Publicis Shops for \$300 Million Account

### Saatchi Takes Creative, MediaVest Gets Buying and Planning Duties

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*Published:* January 24, 2007

NEW YORK (AdAge.com) -- Wendy's is moving its \$300 million creative account from Interpublic Group of Cos.' McCann Erickson to Publicis Groupe's Saatchi & Saatchi, and Saatchi sibling MediaVest will handle media buying and planning responsibilities, the marketer said today.



The media incumbent was Interpublic's Universal McCann. Wendy's also said MDC Corp.'s Kirshenbaum Bond & Partners will work on designated creative projects.

#### **Year of speculation**

The fate of the account has been hotly speculated about for more than a year. A number of agencies have met with Ian Rowden, senior VP-chief marketing officer, according to these executives. A Wendy's spokesman couldn't be reached, but Mr. Rowden, contacted by cellphone, refused to comment, saying he was in a meeting.

The agencies referred calls to the marketer and a Wendy's spokesman declined comment.

According to one executive familiar with situation, Mr. Rowden declined the traditional pitch process in favor of a series of meetings with agencies, in which each agency presented past work and talked a little about ideas for the client. "They picked an agency and not a campaign and that is how you should find an agency," said the executive.

Wendy's spent \$387 million in measured media in 2005 and \$290 million from January through September 2006, according to TNS Media Intelligence. With only national and some cable responsibilities, McCann Erickson and Universal McCann handled about half of that media outlay.

### **Good end after bad start**

Wendy's rival and market leader McDonald's today reported record earnings for 2006. Wendy's, the No. 3 fast-food chain (behind Burger King), on Jan. 5 posted improved same-store sales during the fourth quarter of 2006, though last year started out disastrously, with negative same-store sales in the first half. Those results had compounded an already bad situation, as 2005 ended with losses. That poor performance prompted a franchisee revolt, and activist investor Nelson Peltz won seats for himself and two disciples on the company's board. Last April, Chairman-CEO Jack Schuessler was ousted.

Kerri Anderson, named CEO-president in November after serving as interim chief for several months, reshuffled management and marketing, trimmed employees and shed assets to cut \$100 million in costs.

While Wendy's same-store sales have turned positive, executives close to the matter said franchisees remained unhappy with sales, given its long drought and the improved sales at rival burger chains. "How long can you be down," asked one industry observer.

Vidal Partnership, an independent agency based in New York, retains duties for Hispanic marketing.

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*Kate MacArthur and Matthew Creamer contributed to this report.*