

# AdvertisingAge®

## Detroit Industry Faces Future Without BBDO

**As Storied Shop Shuttters, 485 Look for Local Work, Seek Jobs Out of Motown**

By [Jean Halliday](#)

*Published:* November 16, 2009

DETROIT (AdAge.com) -- Last Monday morning, the 485 employees of BBDO's Detroit office received an e-mail telling them to make a five-minute drive to a conference center that had been host to past agency gatherings.

### Related Stories

[Last Decade a Tumultuous One for Chrysler and BBDO](#)

A Look Back at the Final 10 Years in One of Detroit's Strongest Bonds

There Andrew Robertson, BBDO's dapper worldwide CEO who flew in from New York for the meeting, stepped in front of the group and informed them that a new contract could not be reached with Chrysler, the office's single client, and that BBDO, Detroit, would be shut down at the end of January.

The employees were told they could have the rest of the day off. But most went back to work, fitting for these vital cogs in a vast ad-making machine that had rumbled through Chrysler's strife-ridden recent history -- the ill-fated tie-up with Daimler, the messy, failed intervention by private-equity firm Cerberus -- while still managing to win about 1,000 industry awards, generate 12 million prospects, and pull off more than 13,000 events, according to the agency's tally. In the last decade, BBDO produced an estimated 35,000 ads, which comes to 3,500 a year, 70 a week or 10 a day, including weekends. At its height, more than 2,000 people worked there.

Come February, no lump-sum severance will be paid, except, according to two insiders, to those with 13 or more years of service. BBDO, instead of paying out lump sums, is defining the next two months as a severance period during which all employees will receive salary and benefits and be allowed to use the company's facilities. After time is up, those 485 will then be plunged into the cratered local economy.

"The ad community in this town is just a shadow of its former self," said Peter DeLorenzo, a former BBDO creative director who founded AutoExtremist.com in 1999. He said it's "pretty grim" for BBDO workers. "It's pretty much the closing of a chapter in their lives."

### Under water

Some younger BBDO employees are hoping to relocate to New York, with more-midlevel people aiming for Chicago. But those who decide to leave won't find it easy. Many owe more on their homes than they could get on today's withered market, and any potential seller faces heavy competition from foreclosed homes and condos, which rose 30% in September. Meanwhile sales of all other homes dropped more than 8%, with the median price falling by over 10% to \$110,000, according to RealComp.

There will be opportunities for a select few at local shops and potentially at new Detroit-area service offices of out-of-town agencies that win Chrysler or General Motors work. Other BBDO workers may have to relocate, reinvent themselves or work as contractors until the local economy improves.

Of what's left of the Big Three, Ford Motor Co., which is still investing relatively heavily in marketing, would be the best hope. George Rogers, President-CEO of WPP's Team Detroit, Ford's agency partner, said his human-resources team wasted no time contacting BBDO, Detroit, President Joe Garcia. "We offered to help them. We're always in need of good, talented people," Mr. Rogers said. He said e-Prize in Ann Arbor may pick up some of them. "Everyone is looking to plus-up talent, but no one is going to suck up 400 people. At the end of the day, a lot of these people will have to find jobs out of the market."

Employment in advertising and related fields across Michigan shrunk to 13,400 from 14,600 jobs in the 12 months from September 2008, said Jim Rhein, economic analyst with the state's Department of Energy, Labor and Economic Growth. Since half the state's jobs are in the Detroit area, most of the lost jobs were also local, he said. Metro Detroit's overall unemployment rate has floated around 17% all year -- the highest of any of the nation's major metro areas, he said.

Shelli Gutholm, online-marketing agent at industry placement outfit Aquent's Southfield office, said a lot of the firm's big clients aren't hiring direct employees, instead looking for contract staffers. She's placed local ad people as market-research contract workers inside General Motors and digital and traditional ad staffers at Aquent's client, work-clothing maker Carhartt, Dearborn. Ms. Gutholm, who also places people in major markets in New York and New Jersey, said her business has picked up, which is good news for out-of-work Detroit-area agency types.

### **Flexibility**

BBDO workers with good digital skills will have a better chance of landing elsewhere, since it's such a growth area, said a former employee of the agency who has been unsuccessful finding a job after contacting 40 out-of-state shops this year.

Joey Silvain, a former VP at BBDO, left the big-agency world a decade ago. He's now a partner at the Business Improvement Team, a small group of agency types that work together on projects and job leads. He said BBDO employees can't count on Google's big area office for a job as the company doesn't necessarily value agency experience.

His advice to BBDO employees is be flexible, look for contract or freelance work, and maybe even try to get work from Chrysler. He suggested they could form small teams with a writer, account person and graphic artist to bid on product brochures or pursue social-media projects at non-auto companies. For those who want to try forming their own shops, he recommends Tech Town, a small-business incubator tied to Detroit's Wayne State University at [techtown.wsu.org](http://techtown.wsu.org).

In the past year, at least eight BBDO staffers have gone to Tech Town for help, said Faris Alamis, one of the program leaders. He's also had employees from other local agencies come in for fast-track training. One group of five former big-agency staffers set up their own shop, but it fell apart in months earlier this year because Mr. Alamis believes they weren't used to working with smaller clients with smaller budgets.