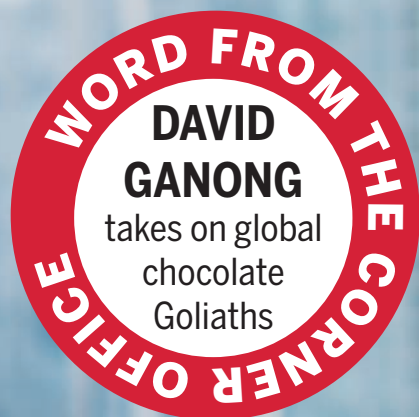


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As agencies get into the product creation game, it was only a matter of time before reviving old brands cropped up. Check out the results as **ACLC** turns its positioning and promotion talent towards product renovation.

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Cirque du Soleil inspires Sid Lee to jump into new business territory From left: Sid Lee chairman Bertrand Cesvet; Cirque director of creation, special projects, Jean-François Bouchard; and Sid Lee president Jean-François Bouchard

On the cover

We thought Vancouver-based credit union Vancity, with its innovative programs that stress inclusiveness and environmental responsibility, would be the perfect cover subject to launch our Step Change special report on companies that are changing the rules of the marketplace.

So Vancouver-based freelance photographer Albert Normandin shot Vancity director, brand & marketing communications, Sloan Dinning astride one of the branded bikes that were distributed in its Bike Share program.

Normandin describes himself as licensed to practise witchcraft in 11 countries. He says he once killed a man with a harmonica – probably almost as difficult a feat as getting Dinning to wear a suit.





Getting to relevant

Last year at Cannes, when I met with Brett Channer, then CEO/CD of Toronto-based Saatchi & Saatchi Canada, he shared some ambitious plans to reinvent the agency. At the time he mentioned a three-phase reno, and likened it to looking at a house: first it's one thing, then, oops, need new plumbing, then, oops, new electrical, and in the case of the agency's home base, ultimately, not even the neighbourhood passed muster.

A year later, as we met again at the Majestic, Channer reported that the reinvention is complete, and that he's stepping back into a creative role as chair/ECD, having just hired a new CEO to handle the business side.



The blueprint for the renovation was simple: be more relevant to client needs. Getting there, for a traditional agency, was not. It entailed a reorientation from mass marketing to more of a one-to-one focus, with deeper expertise in areas like retail and consumer insight, and requiring true media neutrality and total integration.

On the "getting closer to client needs" front, Stuart Payne, the incoming president/CEO, conveniently hails from client Toyota Canada. Channer also recently cherry-picked eight new creatives. One is Wells Davis (ex of Taxi), who as EVP consumer planning is responsible for leading development of deeper consumer insight strengths for Saatchi. And while the POP expertise, for now, is coming via the U.S. – out of Saatchi X – Channer hopes to develop this practice in Canada as well, due to retail's importance to clients in this market. The shop's new interactive/CRM unit will also focus on one-to-one consumer motivation.

With global clients doing less Canadian creative, Channer decided it was time to develop expertise and allocate resources in the areas that provide a closer relationship with the consumer. In fact, at his New York meeting with HQ seeking backing for the plan, Channer's first slide was: "We're not relevant any more."

And key to this reinvention working, is a new way of working. To that end, Saatchi's new Yonge & Bloor digs were designed with collaboration in mind. The result resembles a commune, in that everyone has the same amount of open concept space and there's no window hierarchy. Channer himself has no office. The boardroom has no table – just comfy loungers (like the Lovemark chair above). This philosophy carries over to the new structure, which consists of creative hives. Rather than a dedicated client team approach, they mix up who works on projects to provide a fresh POV.

And Channer boasts: "We truly are media neutral," explaining that the only pre-buys are for premium space such as the Super Bowl, and adds that not buying tonnage has saved clients so much money the agency moved from a commission- to a fee-based system. Channer says neutrality is further ensured by the fact that media is in-house with no separate CEO or P&L. The team does, however, include a media CD, Esme Rottschäfer, who reports to Channer.

The reinvention from mass to my with a specialty in local activation also complements the existing global team approach on brands such as P&G, on which Canada works in tandem with the U.S. And it creates opportunities to pull in resources from wherever expertise lies.

Channer reports that client reaction has been "absolutely positive," and while at first Toyota wasn't sure about the fee model, they've now embraced it. As to HQ, Channer says: "It's always nerve-racking to invest in a flat market – I'm competing for money with emerging markets – but they believe it's important to invest in the clients we have, such as P&G and Toyota."

While the investment may be part and parcel of the global brand strategy, I'm viewing the reinvention as another great evolution story from Canada. If you have any thought leadership examples to share, see "Made in Canada: thought starters," page 52. Cheers,mm

Mary Maddever, exec editor, *strategy/Media in Canada*

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Changing Minds, Changing Models

If you are planning to attend the Media Strategy Forum on Sept. 27, prepare to be inspired.

We are delighted to announce that some of the most brilliant minds in the global media, marketing and advertising community will be sharing their insights and predictions for the industry as a whole.

Our opening keynote is Laura Desmond, CEO, Starcom MediaVest Group, The Americas. A champion of imagination, reinvention and what comes next, Desmond is perfectly suited to address the theme of this year's conference "Changing Minds, Changing Models."

Desmond oversees the U.S., Canada and Latin America and is committed to driving a network-wide digital embrace for SMG, an effort that has been recognized by industry pundits: In 2006, MediaVest was named *Advertising Age's* Digital Media Agency of the Year.

Closing the day is another visionary in the world of consumer insight. As one of the world's leading trendspotters and futurists, Marian Salzman, EVP/CMO, JWT Worldwide, is credited with identifying cultural trends such as "ubersexuality" and "metrosexuality" and has written or contributed to more than a dozen books, on topics ranging from cultural shifts and current affairs to the youth market and the commercial workplace.

At a recent meeting with *strategy* in Cannes, Salzman said the next big thing for the media world is a focus on consumer insight. She predicts a swell of narrowcasting as marketers and media focus on smaller markets – markets of 2% – of similar interests. After the recent completion of a study on the Muslim market in the U.S., she also predicts that market will be one of the hot buttons for marketers in the very near future.

The inspiration doesn't end here. We've brought in some of the most brilliant creative minds in the world to share their favourite integrated campaigns and spark a debate on how the agency model is changing. Rethink's Chris Staples, The Barbarian Group's Bruce Winterton and Keith Anderson of Goodby, Silverstein and Partners are confirmed for this session, and Leo Burnett SVP, director of connections planning Steve Meraska will be posing some provocative questions designed to get you thinking about what the ideal client/creative agency/media agency would look like.

We're honoured also to welcome the winningest Canadian teams from Cannes to share some of their secrets. O&M co-chief creative officer Nancy Vonk and her crew, Zig's Andy Macaulay and Taxi Montreal president Daniel Rabinowicz will take you behind the scenes of some truly phenomenal work, Made in Canada.

The goal of the forum is to inspire you. Fire you up. Make you question everything you thought you knew. You won't be disappointed, so make sure you block out the day and go to www.strategymag.com/mediastategyforum for the full agenda.

* * *

NABS Rocks! That's the theme of the 2008 industry calendar developed last year as a fundraiser for NABS. I'm trying to envisage certain agency presidents as Gene Simmons or Elton John! Cundari has stepped up to the plate to do the creative this year, and once again *strategy* will be co-ordinating production and distribution. There are only a couple of months left to "purchase," so if you are interested in procuring one and supporting NABS, please be in touch with Mike Fenton ASAP. You can reach him at 416.962.0446.

'Til September, **cm**

Claire Macdonald, publisher, *strategy/MIC* 416.408.0858

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"it has a bit of a

SMARTIES CALLS FOR USER-GENERATED DESIGN

No, Smarties hasn't undergone a minimalist redesign. The no-frills black-and-white boxes on shelves right now are a call-to-action for consumers, inviting them to submit their own package concepts at www.smarties.ca.



"The package [redesign contest] is a consequence of a much larger brand initiative," explains Paul Hodges, marketing manager, Smarties at Toronto-based Nestlé Canada.

"It's an activity that allows Canadians to interact with our brand.... Interactivity is part of everything Smarties puts out there."

The site is easy to navigate with simple tools to ensure that anybody can submit decent designs – not just designers. The core demographic is 12-16.

The initiative launched last month, with the first of four million black-and-white Smarties boxes beginning to hit shelves. It's being supported by transit ads across Canada, as well as POP displays. The effort was conceived by Toronto-based agency Big Image Marketing Group, which worked with other agency partners including JWT, MacLaren McCann Direct & Interactive, ZenithOptimedia and Argyle Communications.

The contest wraps at the end of December, and the 10 user-designed packages will roll out in summer 2008. **AB**

M&Ms adds colour in Quebec

M&Ms wants a bigger piece of the lucrative Quebec market, and it's starting to go after it more aggressively.

A multi-faceted long-term strategy kicked off last month, including OOH, online, TV and POP elements. This is the first Quebec-specific effort from M&Ms in over 10 years.

"It's a question of opportunity – they realized how incredibly



underdeveloped the brand is here versus the size of the market," explains Maryse Sauvé, VP, client services director at BBDO Montreal, which developed the campaign. "They realized the product is appreciated here, but they have a huge top-of-mind awareness gap."

To add local relevance while increasing profile, the candies are adopting French personas. Each M&M colour will boast its own French nickname for the Quebec-specific marketing efforts; for example, green is "la Princesse," while blue is "le Charminator," and will be voiced by prominent Quebec personalities. **AB**

The new Saatchi

◀ By Mary Maddever ▶

A here-and-now agency model



Saatchi & Saatchi Canada has just completed an ambitious reinvention, culminating in new creative personnel, a new CEO, new digs and a new interactive and CRM practice. Brett Channer, who as CEO/CD spearheaded the year-long overhaul, says the objective was to offer services and expertise more in keeping with the Canadian market's needs, which entails deeper

resources in consumer insight and local activation.

"A lot of global clients don't do Canadian creative, which is devastating to our industry," explains Channer. And that market reality is exactly what Channer presented to HQ as the business case for reorienting the Canadian operation towards a closer relationship with the consumer. "It's a better way for us to make money," says Channer, "because it's relevant to what clients need."

Channer is now stepping back into a creative role as chair/ECD and has hired Stuart Payne to take over the business reins as president/CEO. Payne comes from client Toyota Canada, where he was director of the Lexus unit. There are also eight new creatives, and in all there have been over 20 hires since January, primarily for the new Wendy's account and staffing up around Sony Erickson and Toyota. Among the new recruits are: Daniel Charron from Republik Montreal to the new post of VP, Quebec CD; Helen Pak as SVP, head of art; Wells Davis as EVP, director consumer planning; ACD Marc Melanson; ACD/AD Marissa Mastenbroek; AD Basil Cowieson; and senior copywriters Brian Sheppard and Lyra Martin-Evans.

Responding to the shift from push to pull, and communicating with more narrowly defined segments, Davis (ex of Taxi) will focus on gathering intel to refine the target, tapping global Saatchi resources as well as local sourcing via Gen5. Channer also hopes to add Saatchi X, the U.S. in-store planogramming resource, in Canada as well.

And one-to-one communication with consumers will be the focus of the agency's new digital unit. Taylor Tarpay was retired last year, and the goal was to reinvent this specialty with a CRM component. Phillip Stainton is heading up the new unit as MD digital marketing, bringing considerable consumer behaviour modeling expertise to the practice from his time with data management company Gen5. For more see "Getting to relevant" Editorial, page 4.

Above: new open concept space at Yonge & Bloor streets; right: Saatchi's incoming president/CEO Stuart Payne



sinister nature”

WATER COOLER

ASKING CANADIANS

A recent survey found that Cirque du Soleil is Canada's most iconic brand. *Strategy* wondered what consumer product latitude that status gives the brand, so we asked:

Which of the following Cirque du Soleil merchandise lines would interest you?

	Yes	No
Beauty/skin care line	40%	60%
Dishwares	35%	65%
Apparel	47%	53%
Home Furnishing	37%	63%
Automobile	12%	88%

This poll of 1,001 Canadians was conducted by the Asking Canadians™ online panel from July 10 to July 13, 2007.
www.askingcanadians.com



VEXING MOVIE TRAILER FULL OF GUTS, GORE

It's not every day you see a movie trailer for a cooler. But that's exactly what Mississauga, Ont.'s Vincor Canada has unleashed online to support its latest Vex flavour, Strawberry Orange Banana Hard Lemonade.

Complete with teen flirtations, a scary house and lots of gore, the animated trailer, by Toronto's Helios Design Laboratories, stars pieces of fruit and has all the makings of a teen horror classic. The unsuspecting kiwis and bananas are ruthlessly hunted by a juice-thirsty Vex bottle.



The trailer, which was seeded on YouTube, is also featured on its own microsite, slicedthemovie.com. Banner ads driving traffic there are running on sites like LaineyGossip.com and Toronto.com.

"Video always has the potential to go viral," says Gerald Flach, CD at Vincor's AOR, Toronto-based GJP, explaining: "We managed to convince [Vincor] to pour all of their money into online this year – their target certainly lives there." And it doesn't hurt that the brand is inherently mischievous. "Vex has devil horns in its logo so it has a bit of a sinister nature." Early sales of the new flavour have been strong. **AB**

Brilliant!

◀ By Annette Bourdeau ▶

In the spirit of John and Yoko, Lucky Brand Jeans held a bed-in for the opening of its Montreal store on St. Catherine St. A French street team aimed to capture the brand's rock 'n' roll spirit and make it relevant to francophones.



Montreal gets Lucky

"Being an American brand, we wanted to have people in Quebec communicate this message in French," says Cintia Hudon, marketing manager at Montreal-based Liz Claiborne Canada, which owns the Lucky brand. She adds that having people waiting outside for the store to open is reminiscent of fans lining up for tickets to a concert. "Lucky Brand Jeans is very rooted in rock 'n' roll and the '70s era."

The premium denim brand's target is 30-55, and this effort aimed to get attention from urban professionals on their way to work. The street team camped out in front of the store from 9 a.m. to 9 p.m. the Wednesday before the opening, and then returned at 7:30 a.m. on opening day.

The play seems to have worked: Close to 2,000 people went through the store on opening day. To add context, the Toronto Eaton Centre location's average traffic on a Thursday is 450 people. The opening was also supported by print ads in *Metro*, bus shelters and posters.

There are now five Lucky Brand stores in Canada, with two more locations set to open in Montreal and Toronto in August and October, respectively.

Carte Blanche handled creative, 2B Interactive did the media while GA & Associates covered PR. All are of Montreal.

Wombelminki! Tufteedoodle TAXI.

(Amazing – you did it again! Congratulations TAXI.)

Cannes Lions 2007, Gold
Cannes Lions 2007, Silver

From the



team at Pfizer

Sweet survival

How Ganong has managed to compete with the big guys for over 100 years

◀ By Annette Bourdeau ▶



President David Ganong (left) and VP sales and marketing Greg Fash tap into web communities and a partnership with the CBCF to stretch their marketing dollars

HQ: St. Stephen, N.B.

Offices: St. Stephen, Toronto, Cincinnati

Founded: 1873

Employees: Just under 400

Marketing department: Eight, including a senior marketing manager, an assistant product manager, a marketing co-ordinator and four regional sales managers reporting to VP sales and marketing Greg Fash

Ownership: Ganong family and private shareholders

Brands: Delecto Boxed Chocolates, Fruitfull Fruit Jellies, Sunkist Fruit First Fruit Snacks, Ganong Brand seasonal and everyday confectionery

Agency partners: C2 Communications (Moncton, N.B.), OnBrand Design, Toronto (package design)

After doubling its sales volume over 2000 to 2004, St. Stephen, N.B.-based Ganong Bros. was hit hard by the strengthening Canadian dollar in 2005 and lost a significant amount of its stateside business. Canada's oldest chocolate company that distributes to the retail trade was forced to step back and re-evaluate its strategy, and really focus on building its core strengths, including its strong community ties and family involvement in the business.

Ganong's eight-person marketing team, including VP sales and marketing Greg Fash, had to be savvier with its leaner budget. So it focused its dollars on web communities like Chatelaine.com and LOULOU.com, as well as PR efforts through a partnership with the Canadian Breast Cancer Foundation and media events hosted by company spokesperson Bryana Ganong.

Since two of its core brands – Delecto boxed chocolates and Fruitfull fruit jellies – are primarily gift-giving products, Ganong concentrates most of its marketing efforts around the December holiday season. Its third-biggest performer, Sunkist Fruit First fruit snacks, is supported by frequent package and product innovation, like last year's launch of sugar-free fruit snacks.

The company already has a rock-solid relationship with St. Stephen, population 4,500, which it fosters by coproducing the community-led Chocolate Museum and annual Chocolate Fest. For the latter, Ganong hosts tours of its factory for four days, over which it attracts an

average of 4,000 to 5,000 visitors, exceeding the town's population.

Its focused efforts are beginning to pay off: This year, it's just about back up to its peak numbers and a full staff of almost 400, and continues to grow, with plans to expand the branded products' presence in Asia. President David Ganong aims to double the business again over the next five to 10 years, proving that a small, family-controlled Canadian business can hold its own against the big guys.

Strategy spoke with Ganong and Fash about how the company has strengthened its brand with community efforts, cause marketing and online tactics, as well as how it supplements its branded business by picking up contract work from its Goliath competitors, which keep closing more and more of their own plants.

GF: I think companies like Ganong have to be really conscious of the winds of change in our industry and be nimble enough to react to those changes very quickly. Certainly over the last decade there's been enormous change in the confectionery industry, both in the United States and in Canada. So there are shifts in strategy, not just on the product side, but recognizing that there are new customers in the market, alluding to contract pack and private label, and still maintaining our strong emphasis behind branded development. So really there are three legs on the stool – on the contract pack side, on the private label and on brand development.

How do you stay top of mind across Canada with a limited budget?

GF: It's a challenge. We try to communicate

and leverage pre-existing web communities as opposed to buying banner ads. It was one of those things that evolved when we built our media plans. We don't have a huge budget to engage in big media purchases, so we tried to find things that fit with our target market, and that moved beyond just a straight advertising message and hopefully engaged people more than just one time.

We did it with *LOULOU* last year. We did a print buy in the magazine and integrated with the web. We've done it with *Chatelaine* in the past. We sent a virtual chocolate with *Chatelaine* – people paid a certain amount for the virtual chocolate that was donated to the CBCF. The response was very favourable. We paid for the media, but we try to be more engaging and interactive [than just banner ads].

A lot of products we market are seasonal, so consumers don't see them every time they visit the store. They see them primarily for a six- to eight-week period when they're on the shelf, so we have to be very, very conscious of having terrific packaging and graphics.

What have some of your biggest challenges been over the years?

DG: Competing as a small guy in what has been a globalizing business, and understanding the implications of that. We are now in an industry that is working with, to a great extent, mega international brands, and competing in the key markets, particularly in Canada, in that area has been a challenge. It's been a challenge forever for the company and continues to be. So I think hacking out our space in the consumer's mind, hacking out our space on the shelves against the very large companies, many of them – most of them now – foreign-owned, has probably been our single largest challenge over the years.



Ganong chose to partner with CBCF because they are both grassroots, family-driven organizations

How have you stayed competitive all these years in a sea of big competitors?

DG: I think, first, we need to be focused on selective markets. We can't compete well with everything. We can compete well in the assorted boxed chocolates business and the fruit snacks business. [Much of our] production equipment services both the chocolate confectionery side of our business and the sugar confectionery side of our business, which is unique, and it helps us with some of our costs.

And we also, in the recent past, have taken advantage of industry consolidation and change by taking on contract pack business that somebody else wants to shed, which helps us bulk up, reduce our unit costs and buy materials in a competitive way, such as rail car loads of sugar and glucose as opposed to smaller quantities.

So there are a whole series of pieces that have to come together in order to remain competitive, and a determination to survive and to grow, which has been part of the culture of the business.

as much as we can through the inserts in our packaging. We use that as a vehicle for dialogue to draw consumers back to our website. Beyond that, we do use web and print

Twenty-five years ago Canada was a much more homogenous place, and just accessing information, understanding the shift in regionality and in the makeup of the consumer nationally is a big challenge today

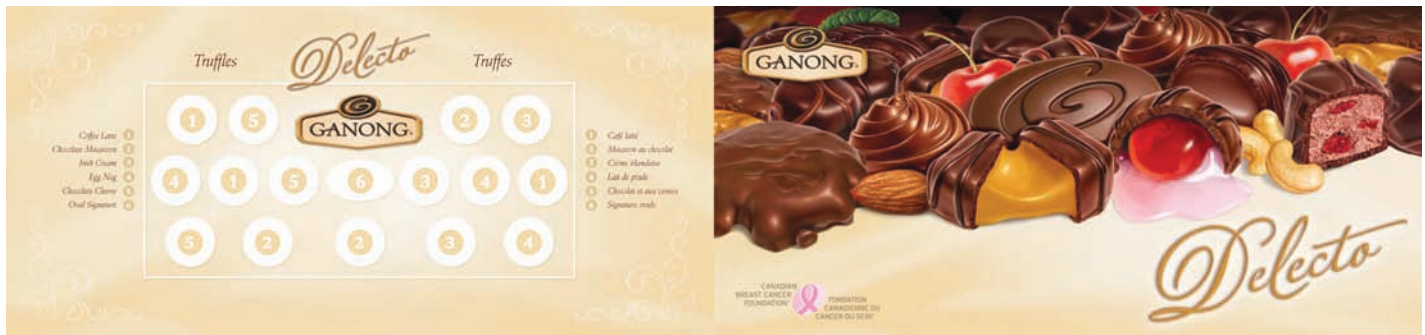
media, in a targeted, integrated way to try to get our messaging out.

Most of our online work has been done through engaging web communities, and running promotions and points of interest within web-based communities, whether hosted by a particular magazine or through the Canadian Breast Cancer Foundation website. So it's really finding ways to integrate

How do you think you've succeeded in resonating with consumers?

GF: One of the biggest challenges for a company of Ganong's size is competing in the branded side of the business, understanding today's consumer.

Maybe 25 years ago, Canada was a much more homogenous place than it is today, and just accessing information, understanding the



The box "road map" drives consumers to Ganong's website to offer input on what products they'd like to see more of

shift in regionality and in the makeup of the consumer nationally is a big, big challenge today.

So the traditional things that might have worked 25 years ago – big media campaigns, making your point on television or on radio or in magazines – is not going to work for a company like Ganong today. It's too expensive. So we've opted for a more interactive approach and talking to our consumers in different ways.

Number one is direct communication and interaction. We've run contests, for example – we've asked consumers what they'd like to see in an assorted box of chocolates.

We related to the consumers' desire to support causes. We've been a supporter and a partner of the Canadian Breast Cancer Foundation now for four years. Consumers have told us that's important to them.

And third is that the family name, Ganong, stands for five generations of involvement with the company. Bryana Ganong, who is David's daughter, has acted as the company spokesperson for the last four years. We try to approach this as developing long-term relationships with customers as opposed to big, expensive media campaigns.

How do you reinforce Ganong as a family brand?

GF: Bryana Ganong has taken on the role of trying to introduce our products to the media. We've hosted an annual media reception for three years now in Toronto, and we've run some promotional events with her. Three years ago in Toronto, we had a one-ton block of chocolate cut up in the form of a pink ribbon and had it at Union Station, and we did some sampling. It was to draw attention to our relationship with CBCF, as well as sample our chocolates [pre-holiday]. Bryana has also made herself available for interviews and really promoted the new products.

Her image has been in paid media as well. She really does a great job of representing the brand, as a fifth-generation Ganong in the business. We've found through research that consumers find it extremely positive to purchase from a family-run company. The challenge is bringing some personality to life behind that image of a family brand. So by having someone out there saying here's what we stand for and here are our products, we believe that adds an enormous amount of credibility to the message and to the strength of the brand.

What are some advantages and disadvantages of staying a family business?

DG: I think it's better to position it as privately held rather than just family. Although the family is in control of the business itself, other interested parties also participate as shareholders. The company is able to take decisions that have long-term implications, rather than have to deal with the analysis on a quarterly basis and make sure that each quarter's numbers live up to analysts'

expectations. The downside to that, of course, is the ability to raise capital. If you are in a public market, it's much easier, assuming that your financial results are up to expectations.

Can you talk a bit about new product launches?

GF: You have to continually bring new ideas to the market. But I would say today, versus even four or five years ago, we're trying to be more selective in how much innovation we bring to the market. You can expend a tremendous amount of internal resources on new products, and a lot of times new for the sake of new is a very expensive mistake, so we really have to focus on things that matter. I'll give you a couple of examples.

Eighteen years ago, Fruitfull was Canada's first fruit snack containing real fruit jelly. This was an innovation in the market, and it has stood the test of time. It is a traditional favourite, number one in the category, and we have



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Ganong's display inside the Chocolate Museum

added to that by putting chocolate on it in the last couple of years as a way to extend the range.

Another example of new in the fruit snack market was the introduction last year of Sunkist, which is a brand we produce under licence in Canada. We developed and introduced a product called "No Sugar Added" fruit snacks because of concerns about childhood obesity in the Canadian market. It's a calorie-reduced, portion-controlled fruit snack. Those kind of things we can get behind and support. But just adding new lines and extending products for the sake of activity is not very productive, certainly not for a company of our size.

Since you started being more selective, how many product variations/launches have there been?

GF: Over the last six years, I would say 80% of

the products we manufacture, on the branded side of our business, have either been modified, repackaged or completely reintroduced.

That's significant. Can you give an example of a product that's been modernized?

GF: One example would be the changes we made to the Delecto range, because we wanted to make sure our assortment reflected today's consumers' desires. So we went out and asked them what kind of chocolates they wanted in the box. And first-year results have been very, very positive.

How did you go about asking consumers?

GF: The nice thing about boxed chocolates is that it's a bit of an experience, unlike opening a package of crackers or cookies. In every box of assorted chocolates, there's a road map that tells you which pieces are in there and

where they're located in the box. That gives us a chance to talk to consumers, which we've taken advantage of. We asked them to go to our website and tell us what they liked about the chocolates, which ones they preferred, which ones they'd like to see [more of]. So it was talking to them through the box in the first place, and building from there.

What kind of response rate did you have?

GF: It was very high [30,000 unique responses]. And we did offer a contest – to win a trip to come down to New Brunswick for a family of four. It showed the relationship between consumers and boxed chocolates is stronger than it is perhaps with other food products.

Can you talk a bit more about your community efforts?

DG: There has been a very long history of Ganong working with the community here in New Brunswick.

Two unique examples are the Chocolate Museum and Chocolate Fest here in St. Stephen. They were driven by the community, not the company, though of course we've been very supportive, and it's a not-for-profit corporation that's owned half by Ganong and half by the municipality. In fact, we hope the Chocolate Museum is going to double in size to make it more of a destination point. It does draw people into the town, it is a benefit to the community, as is the Chocolate Fest that runs the first week of August every year, and pretty much sells out the hotel rooms in the area.

And the company has maintained a very strong influence in working with youth. We sponsor a Ganong basketball tournament each year at the high school, and work with hockey teams and with other youth groups in the community. And we would be one of the major supporters of any activity that takes place in the community – that's part of our donations budget.

Why do you feel it's so important to have such strong community ties?

DG: Well, first, there's a long history of it,

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so you could say there's a bit of baggage there. But we would like to continue to take that tradition forward. It's one way we can give back in ways that can be helpful and beneficial to our employees and their children. For example, there are now several Ganong scholarships for graduates of St Stephen High School.

We are well-regarded. I think we put back in the community to earn that trust, and the community supports us, like with the Chocolate Fest. The municipality works with us when we do expansions. It's a good mutual benefit.

What prompted you to partner with the Canadian Breast Cancer Foundation?

GF: Cause marketing had been growing for some time. From a marketing perspective, I was attracted to the CBCF on a couple of different levels. One, our products, boxed chocolates in particular, are associated with family times like Christmas and Mother's Day, and different kinds of gift-giving. And the CBCF is a grassroots, family-driven organization with an incredible passion for their cause. So we could relate to that.



Ganong uses its website as an inexpensive marketing tool

It was a Canadian cause, which we could also relate to, as a Canadian company.

And it's continued to be that kind of synergy right from day one. They're a terrific organization, with a great management team. And they haven't lost that grassroots touch. The pink jellybeans were just one opportunity that came out of discussions with the Run for the Cure team members. They said: 'Gee, if we could do a pink jellybean and sell it at the [CIBC] branch level, we could raise a lot of money.' So we figured out how to do it for them. It paid off in a very substantial fundraising program.

Any plans to do something like that again?

GF: We're working on that right now, with a special box of mints that we've produced just for the CBCF Run for the Cure that you'll be seeing at CIBC branches hopefully in the very near future.

What kind of lead times do you have to work with? If you decide you need to respond to changing tastes, how quickly can you respond with a product?

GF: We can respond pretty darn quickly, but the other answer is we shouldn't! Ideal world, we're planning now for Christmas 2009. That's what we should be doing. The fact is the market moves so quickly today we are planning that way, but we may have to react much closer to Christmas 2008 than we'd like to

simply because of changes in the market. So you have to be nimble enough to do that.

DG: Also, in terms of pace, as we try to broaden ourselves beyond the borders of Canada, there are quite different tastes in some parts of the world. For example, we have done some innovation on products that are less sweet, because that's where the Asian taste is. And we developed a real fruit jelly without any sugar on the outside. While that is a custom taste in North America, it is not in most of Asia. So we have done some development of products that meet with the Asian tastes as a vehicle to try to get a foothold in that marketplace. It is not a gigantic amount, but it is a growing business.

When did you enter the Asian market?

DG: We've been doing some business there since 1990. And, depending on the exchange rates and other factors, it's been strong at times and weaker at times. At this point, we do have one of our senior people taking a fairly major initiative along the Pacific Rim, south of Japan, and at this stage it certainly has promise and some firm business.

Where does your contract pack business come from?

DG: Right now, 100% of it would be Canada and the U.S. We're not opposed to other places, but we've not solicited. Part of the opportunities on the contract pack side come from the fact that this industry is going through a very dramatic rationalization. And that creates opportunities for folks like us that have capabilities, and in some cases capacity – although we don't have much of that right now – and most of that's taking place here in North America.



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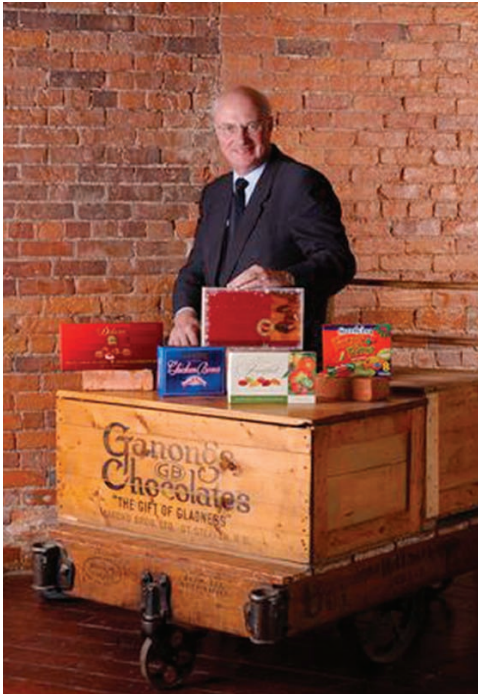


OCT

Julie Spagnolo is an undaunted media hero working for valiant results with M2 Universal.

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OSPREY
M E D I A



Cadbury was the most recent one to announce a global restructuring, with 5,000 jobs lost. Hershey is going through that same process. This year it's closing every one of its Canadian plants. And the Turtle's plant in Toronto was recently sold. So there's a lot going on. And in some cases, these companies have certain products they want to continue to market, but they just don't have the manufacturing capabilities or the manufacturing cost structure to continue to make them.

In terms of your branded business, where is your international focus right now?

DG: China, Hong Kong and Singapore.

What's your biggest overall focus right now?

DG: The most important piece of our business today, and tomorrow, will be our branded business. That's where we

have the greatest amount of security, that's what's going to see the company forward, over the next three decades.

But we are not exclusively focused on the branded side of our business, because we also know that we need to grow faster than our branded business is going to allow us to grow. Although we've had growth in the last several years, we're still a relatively small guy in an industry that is dominated by giants. In fact, we're about the last of the Canadian-owned. On the chocolate side, we are the last of the Canadian-owned companies that distributes to the retail trade.



Top: David Ganong. Above: the venerable factory

We know we've got to grow faster than we'll grow our brands, so we'll continue to focus on private label and contract pack both within and outside of Canada to help us bulk ourselves up further and become a more competitive manufacturer. And when we do that, that's going to help us be more competitive on the branded side as well. ■

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OPENING AND CLOSING KEYNOTES: 2 STRIKING VIEWS OF THE FUTURE



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OTHER SESSIONS

Canada in Cannes: 3 Case Studies, 3 Killer Campaigns



Evolution

O&M Creative Director Nancy Vonk and her team give a blow-by-blow account of their collaboration on

“Evolution,” the viral sensation that won a pair of Grand Prix. How a simple idea won the two most coveted awards in advertising.



Reversa

Taxi Montreal President Daniel Rabinowicz talks about how he harnessed the power of humour

and “interactivism” to build a thriving online community around a not-so-funny subject: anti-aging creams. The microsite and banner ad each took gold.



Get Scared More Often

Zig's Andy Macaulay shares the consumer insight that inspired Scream TV's haunted house. That insight

led to gold and silver, and very nearly Media Agency of the Year honours. Oh, yeah: The campaign cost only \$50,000.

Integration Super-Panel: The Gods of Creative

North America's top creatives present their favourite integrated campaigns, followed by a discussion of how the agency model is changing—and how marketer/creative agency/media agency relationships should ideally be structured. Bonus: The session ends with two-minute crystal ball pitch from each person.

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ECO EFFORT NEEDS MORE POWER

◀ By Annette Bourdeau ▶

BC Hydro is urging people to “Make a difference today,” with a new multi-faceted campaign demonstrating that even little changes can help conserve power. The campaign centres on a “Power Smart” quiz for people to test their conservation savvy online or in person. B.C. premier Gordon Campbell did it at a Vancouver kiosk in a photo opp to raise awareness about conservation, scoring press coverage from the likes of *The Vancouver Sun*. “It’s a way of establishing a dialogue with our consumers and getting them thinking about conservation,” explains Mike Krafczyk, customer communications manager at BC Hydro. “This is going to be a 10-year effort on our part – this is just the beginning.” OOH, radio and TV executions in English, Punjabi, Mandarin and Cantonese all drive consumers to bchydro.com. The radio spots feature people talking about what it will take to leave a better B.C. for future generations, and one is just children’s voices. The TV consists of montages of “leaders” like teachers and prominent British Columbians like Rick Hansen and Marc Garneau, to illustrate what it takes to be a conservation leader. Both TV spots end with a child turning off a light.

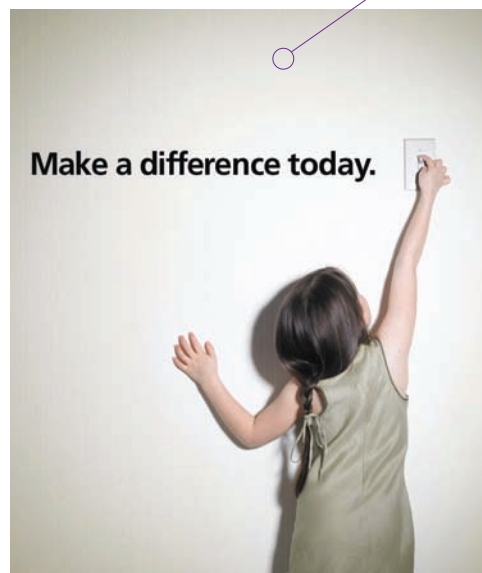
We asked **Ian Morton**, CEO at Toronto-based environmental consulting agency Summerhill Group, and **Trevor Schoenfeld** and **Lisa Greenberg**, co-CDs at Toronto-based agency GJP, and to weigh in on whether this campaign will get them to turn off their lights.

CONCEPT

IM: The creative is compelling and engaging. Very emotive stuff – but I’m not clear exactly what they want the audience to do. Turn off the lights to save tomorrow? The most endearing feature for me as a dad is the consistent image of the child turning off the light – it effectively integrates motivation for change – but again, to what? I would prefer to see BC Hydro raise awareness by changing the market with kickass on-the-ground campaigns. This just doesn’t do it for me.

TS: I feel that they’ve missed a gigantic opportunity to really do something simple and memorable here. The ideas are uninspiring, derivative, safe, forgettable – basically everything you shouldn’t do if you want to effect real change.

LG: After the big build-up, I’m not sure what they want me to do in order to conserve energy. There is nothing that would make me change my behaviour.



MICROSITE

(<https://www6.bchydro.com/profiler/ProfileStartExternal.do>)

IM: Very weak – a new page within the existing site. I don’t see how this integrates with the rest of campaign.

TS: One of the only elements in this whole campaign that relates to the consumer on a personal level. But after watching any other piece of communication in this campaign, I can tell you I wouldn’t venture to this link.

LG: This is one piece that follows through and engages me a little more.

TV

IM: The TV spots are obviously aimed at provoking an emotional response from their audience, from the music to the local hero imagery such as watching [hockey coach] Roger Neilson in all of his white flag glory.

RADIO

IM: The radio spots are a good complement to the rest of the ad campaign, keeping with the consistent positive message for change.

TS: Where’s the idea? The incentive to change? What is BC Hydro doing? What is the relevance to me? What happens if I don’t act? Give me something to think about. Scare the crap out of me. Anything other than sappy music and kids!

LG: I have never heard a kid speak like they’ve been cast in this radio spot. It sounds contrived – adults talking with kids as puppets.



The creds

Client – BC Hydro

Mike Krafczyk, customer communications manager; Tiffany Kask, advertising planner; Michael Newland, digital communications manager

Agency – DDB Canada, Vancouver

Alan Russell, CD; Ryan Leeson, Dan Scherk, copywriters; Alexander Gerlings, Chris Moore, ADs; Lynn Bonham, Alicia Katz, agency producers; Dean Elissat, Karen Martin, Terra Thibodeau, account managers; Dave Robertson, photographer

Online agency – Tribal DDB, Vancouver

Cosmo Campbell, CD; Alex Beim, assistant CD; Cameron Warden, Tony Nichols, copywriters; Kelly Hale, designer; Amadou Issacs, Flash animator



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POWERING BRANDS WITH MOBILE

Whether in your pocket, in your hand or tucked away in your purse, the cellphone has become the must-have gadget of the early 21st century. Few dare to go anywhere without it, and wily marketers are not far behind. Be it m-coupons, m-cards, or m-payments, the mobile phone has morphed into a whole lot more than just a portable communication device. The opportunities that go along with that are infinite, and growing.

BIDDING LOW: THE REVERSE AUCTION

If you regularly bid too low in auctions, it's time to give the reverse kind a try. A reverse auction is a modern twist on the traditional sale, with the lowest unique bid winning. Shift the concept to the mobile space and marketers have another great way to communicate with users one-on-one, multiple times, in both directions.

Vancouver-based DY Mobile used the application in Canada early this year with A&B Sound. Over the course of the multi-week campaign the retailer put a number of big-ticket items, like flat-screen TVs, up for auction. With the call-to-action communicated through local print media, users could text in bids as often as they liked for a premium tariff.

"The reverse auction is very much your evolution of a text message-based contest," says Dan Reitzik, president, DY Mobile. "It is a much more intelligent application that engages the consumer multiple times." For more information, check out jumpauction.com.



Cinema on the cell

When singer Chantal Kreviazuk filmed a recent music video entirely by cellphone, she wasn't the only one looking to the handset for some edgy cinematography.

As official mobile phone sponsor of the Toronto International Film Festival (TIFF), Motorola has integrated the cellphone into a number of filmmaking efforts.

Up-and-coming filmmakers attending TIFF's Talent Lab, for instance, were told to film their self video-portraits on a Motorola phone. The top "MotoFilms" were then transformed into trailers screened before each festival film. Other film festivals are now looking to duplicate the concept.

At this year's event, there will be a half-day mobile filmmaking workshop at the Talent Lab. Motorola and TIFF will also team up with MTV Canada to discover Canada's top young filmmakers. The winner will go behind the scenes and chronicle the festival experience in a cellphone video diary.



BRANDING CONTENT

Viral marketing is getting a lot of buzz these days and what better way to spread the word than subsidizing branded content to the mobile market?

"Consumers love free content and they love free content for their phone, to personalize it," says Jeffrey Malmad, partner at MediaCom U.S., a strategic media planning and buying company that is spearheading a number of mobile activation efforts with its clients. "Once they get that content, they will have that on the device and make it a part of their life."

With today's savvy consumers the message can be as subtle as a ringtone of an engine roaring to connect them to a car manufacturer. Or it can be more direct, like a brand's familiar radio jingle. "When people hear that ringtone, it's like: where did you get that?" says Malmad.

Be it via a music jingle lifted straight from a TV spot, or a subtler tie-in, brands can now touch their customers with every call. It doesn't get better than that.





SAY IT IN A CARD

You know mobile has really made it when one of the largest card manufacturers integrates it into its offering. Indeed, Hallmark is going mobile. This summer, the famous card company plans to sell mobile greeting card content through a Web-based storefront.

Consumers will be able to browse and buy mobile greeting card content through the storefront, which they can then send to family and friends – much as they would send a traditional greeting card. Unique codes will also be inserted into traditional Hallmark greeting cards allowing consumers to text in orders to receive appropriately themed ringtones and wallpaper. The content will be directly aligned to the theme of the card. To start, about 20% of Hallmark cards will be mobile-enabled.

Mobile on the move

Integrating mobile into your marketing plan isn't as complex as you may think. The key is to get in now.

In the world of mobile, things are zooming along at breakneck speed. In fact, it can be hard to keep pace. It's this very sentiment that has stalled some brands from tapping into the marketing magic that mobile can deliver. Many advertisers still don't quite understand the medium; others pencil it into their budget as an afterthought. Big mistake, say the experts. The moment for mobile is now.

"There are approximately 19 million wireless phone users in Canada," says Peter Barnes, president/CEO of the Canadian Wireless Telecommunications Association (CWTA). "In 2006 alone there were 4.3 billion text messages sent. Canadians are actually the second-highest users of wireless voice services in the Organization for Economic Co-operation and Development (OECD) – the average Canadian uses 400 minutes per month."

As impressive as these numbers sound, it's really the transformation of the handset into a slick little on-the-go computer that is a unique selling point for the channel. The "third screen" medium is no longer just a simple, portable voice device.

WAP-enabled phones let users do just about everything on the go: surf the Web, watch TV, download music and videos, text messages to contests and friends, receive e-mail, search for restaurants and cheap gas, take pictures and videos, play music, listen to the radio, gain entry to concert venues and even pay for a nice cold can of Coke on a hot summer day. And with each of these uses, there is a marketing opportunity



lurking on the sidelines, be it search, banner ads, text messaging campaigns or coupon promotions.

In short, the cellphone is a handheld multimedia computer that brings with it the value of a fixed Internet experience, and so much more. "With the deployment of faster networks with more capable handsets and interoperability, and with the creation of viable business models for carriers and content providers, we have seen the adoption of all types of mobile data services grow," says Laura Marriott, president of the global Mobile Marketing Association.

Most brands first ventured into mobile with text messaging campaigns – in Canada there are about 300 of these text messaging programs currently running. But there is now an uptake in mobile Web, mobile video, mobile TV, downloadable films and voice-based applications. The entertainment-driven campaigns that first flooded the

market, initiated by early adopters like Procter & Gamble, Coca-Cola and Canada's own Chum Ltd., are now being joined by promotions targeting an older demographic.

"We're going to see more mobile commerce applications, loyalty sampling, couponing, and ticketing," says Marriott. "We are also going to see an increase in mobile advertising as it relates to relevant information for the consumer. So we'll be running less and less to entertainment and fun, and more to productivity improvements."

Whether a contest aimed at the 13-34 demographic, or a couponing campaign targeting baby boomers, the cellphone is still, at its heart, a communication device, says Gary Schwartz, CEO of Toronto-based aggregator Impact Mobile and chair of the CWTA's Mobile Content Committee. Using it effectively, says Schwartz, means using it as more than just a vertical advertising buy.

"Mobile in many cases [should be] a horizontal buy," explains Schwartz. "It is something you add to your existing buys to make them more effective. Mobile heightens your media buy because it is an activation media. It can embed a click into traditional media and activate it."

Schwartz is a strong believer in the power of mobile and sees huge growth potential for the channel. He also sees mobile as a disruptive technology that will fundamentally change traditional interactions in the marketplace. Thanks to mobile, he says, paper ticketing will one day disappear, as will paper lottery tickets. Push media, he adds, will face a similar quandary.

"Everybody is challenging you to measure your media, and all these media companies have billions of dollars in budget and no accountability," says Schwartz. "They have to change. Whether it's brands wanting to innovate, or just being compelled to come up with a model where there is a click attached to a push, mobile has to be a player. Mobile is definitely a piece of the changing media landscape."

FOR GOOD

Grass roots cause, high-tech solution

Companies increasingly turn to mobile to draw attention to environmental and social issues

It used to be that climbing a tree and camping out for a few days was a good way to draw attention to an environmental cause. Not any more. Environmentalists have now gone high tech and trees are being swapped for a far more compact little gadget: the mobile phone. As effective as the wireless device is in helping market consumer products, it's equally useful in bringing awareness to some serious social concerns.

In one of the more novel eco-friendly efforts, conservation group RainTrust Foundation has made millions of hectares of Amazon rainforest available for sponsorship via text messaging campaigns. Brands initially sponsor a reserve under a preservation contract then



sell off parts to customers through text campaigns – in units as small as one square foot.

"We will be going into large-scale events and offering 'text for your forest' or 'text for air' where a customer can text in and get one foot of the rain forest," explains David Plattner, RainTrust Foundation's director and founder. "We are making it possible for the consumer, through text messaging, to get a piece of the rain forest."

It's an enticing little offer. Users become RainTrustees with benefits – like the exact geo-coordinates of their chunk of land, which they can then view on the RainTrust website. "So not only do you get your foot, you can actually zoom in and see it," says Plattner. The site uses a software platform with NASA technology to enable this.

Meanwhile, brands gain carbon-neutral status by doing their bit to protect the world from global warming, not to mention have a great new way to market their products and services. "It becomes a marketing tool for the corporation and it becomes a carbon neutrality tool," says Plattner. "So it works on many different levels."



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Mobile Marketing

SPONSORED SUPPLEMENT

Green-friendly contests

Another company venturing into the green market is Toronto-based JAC Mobile Entertainment, which set up shop in May. In an effort to raise green awareness, the media company is launching a premium mobile entertainment contest with a green theme, with about 10% of proceeds going to environmental initiatives.

"In our own little way, we want to try to get people to start talking green and we are using mobile technology to do this," says Stephen Forde, president of JAC Mobile Entertainment. "Green awareness is the driving force behind the whole company."

The company's six-week TXT-EARTH initiative launched in early July at the Eaton Centre in downtown Toronto. For a \$2 per-response fee, users can text in answers to green-themed questions, with weekly prizes leading up the final grand prize of a Toyota Camry hybrid. Smaller prizes include an 80 GB video iPod and a MacBook computer.

Other ecological endeavours are trading in on the popularity of personalized ringtones. If you haven't already, chances are you will soon hear the sounds of the wild on a cellphone near you. VeriSign Inc., a provider of digital infrastructure, launched a dozen bird ringtones on Earth Day in April. They are now available on every carrier storefront in Canada. For a fee of \$3.50, cellphone users can be alerted to incoming calls with the sweet song of a sparrow or swallow.

"The idea was to play into the theme of the urban jungle," comments Aran Hamilton, regional VP in Canada for VeriSign. "We thought: does the ringtone have to be a jarring musical experience?"

Users were clearly thinking along the same lines. Sales to date have been "more than expected" says Hamilton, and VeriSign is working on another round of animal sounds to launch later this summer.

FOR GOOD



COMMUNICATING THE RIGHT MESSAGE

Another player in the animal sounds kingdom is LGG Media, which partnered with Earth Noise to create GreenTones, an environmental ringtone offering made up of animal sounds from around the world. Everything from bottlenose dolphins to the river hippopotamus have been recorded in their natural habitats with some of the best recording equipment available.

"It's all about communicating a conservation message to the handset and to the younger demographic," says James Rodmell, president of LGG Media.

LGG Media is partnering with the World Wildlife Fund in its GreenTones initiative, and future plans include expanding ringtones to other unique sounds that promote worthwhile causes. Rodmell was recently approached by an inner-city group to provide city-sound ringtones – say, the sound of sneakers on a basketball court – to raise money to build sports facilities for underprivileged city kids. Recording real sounds, explains Rodmell, "is a model to bring awareness to a cause or concern and also to raise money."

The socially-conscious message can extend to other areas as well. During the last election, Youth Text, an initiative of the Dominion Institute, allowed young Canadians to connect with political parties one-on-one. Each party had its own text messaging short code, and young people could become politically involved by texting in their views on important issues.

"Political parties were quite concerned that the youth were not being involved and engaged in the political process," says Marc Choma, CWT's director of communications. "So the Dominion Institute designed this program." Altogether, 6,300 text messages were sent in.

In the end, says LGG's Rodmell, non-profit groups need to "stake out some real estate on the handset and do it now. If not, there won't be any room. Commencing a relationship with the consumer's handset now with important messages is imperative."

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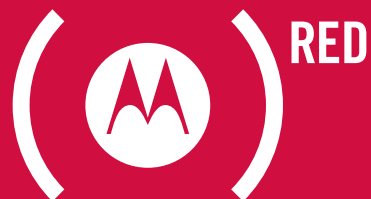
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Ticket in hand

Paperless ticketing, says Tom Anselmi, CEO of Maple Leaf Sports and Entertainment Ltd., is gaining traction, with as many as 80% of today's tickets purchased electronically over the Net. Mobile ticketing – the next logical step – boosts the convenience factor even more. Users can just wave their phone at a ticket handler who enters the code into a scanner, and into the venue they go.

"It's all about steering towards paperless ticketing and ticketing convenience," says Anselmi. "We are very close to a future where people are just e-mailed ticketing rights."

In partnership with Rogers Communications, Maple Leaf Sports launched a test run last April that involved mobile ticket technology. Twenty-five pairs of tickets were offered to Rogers wireless customers for game five of the Toronto Raptors play-offs. All were e-mailed straight to the recipients' phones.

"If a person indicated they wanted to purchase a pair of tickets, an alert was sent to their mobile device. That image on their phone represented the ticketing right," says Anselmi. "The phone was essentially the access device into the building."

Maple Leaf Sports is now working on a more extensive mobile ticket offer for the 2008 Raptors season.

GETTING IN EARLY

Chum Ltd. is another broadcasting giant actively pumping mobile into its marketing mix. An early integrator, the company is a veritable poster child for the medium. Its list of mobile initiatives includes streaming live concerts, developing text-messaging-driven channels like PunchMuch, letting viewers participate by voting via text message for reality shows such as Canada's Next Top Model, and providing users with exclusive mobile content.

"For us it's really about reaching new audiences and expanding our brands into the mobile platform space," comments Maria Hale, VP content and business development at Chum Ltd. "When we're looking into how we approach multimedia platforms and new media platforms, mobile factors in that very aggressively."

Looking ahead, the company points to user-generated mobile content as a big future trend. Already, the user-generated brand Show Me Yours lets users upload their own demo tapes to win the right to introduce a musical act during the MuchMusic Video Awards (MMVA). Newshounds can get in on the act by shooting a news event on their cellphone and uploading it onto the broadcaster's news site. If they're lucky, it could get picked up for a broader newscast or follow-up from the newsroom.



THE MOBILE SEARCH

Mobile search is an emerging category, but it's one that is often outpacing its rivals. As media planners look for new ways to market with mobile, many are turning to search. Some analysts even predict it will outgrow the desktop variety.

"It's still relatively new, but a lot of advertisers now want to advertise on mobile, so they are looking for ways to do it," says Eric McCabe, VP of marketing at JumpTap, Inc, a mobile search specialist providing search solutions to wireless carriers.

Mobile search operates similarly to the traditional Internet version, but results are mobile-specific and tied to terms wireless customers tend to use. For advertisers, the premise is simple: like PC-based search, media buyers buy search terms on a pay-per-click model.

Today, there are anywhere between 10,000 and 20,000 English-language mobile websites, says McCabe, with most providing basic information on products and services. But the number is growing, as is the number of subscribers accessing them through search. Consumers on the go need immediate information and as a result click-through rates on mobile search ads are quite a bit higher than the traditional web ads. "On the Internet, the average number is in the 1% to 2% range, whereas on mobile we're getting in the 15% range," says McCabe. "Part of the reason is that there are fewer sites available on mobile, so people are really hungry to find out what's out there and they click on ads much more readily."

STRIKING THE RIGHT DEAL

As expected, Canada's homespun version of *Deal or No Deal* was a smash hit for Global Television when its five episodes aired earlier this year. But it was the show's mobile/online contest - Canada's Case Game - that proved a big surprise winner for the broadcaster. During the four episodes that the game ran, 750,000 entries were made by cellphone and online by viewers guessing the show's winning case.

"In terms of results, it was the most successful contest we have ever run," says Greg Treffry, VP business development and specialty television at CanWest MediaWorks. "And mobile was the preferred method of entry." At one point, 160 mobile entries were being made per second, far more than the peak of about 20 entries per second generated online.

Participants paid a one-dollar premium to text in their case number to a short code. Winners of a random draw were awarded a Pontiac G6 Convertible, a Pontiac Torrent or an all-inclusive Sunquest Vacations package for them and 11 of their friends.

Users could also play on the go by opting in to be alerted whenever the game was running so they could play without even watching the show. That, says Treffry, is the beauty of mobile: "Mobile allowed us to communicate with them on a regular basis."



Advertising on the mobile Web

For some media planners, the fast-growing mobile space is still a new and not-quite-understood platform, even when it comes to placing banner ads. Third Screen Media, a fully owned subsidiary of AOL's Advertising.com and provider of mobile advertising solutions, helps clients navigate through the options.

A video ad that Third Screen did for the U.S. Navy last fall illustrates just what can be done. Given that not all cellphones can auto-play video, Third Screen developed three different versions of the 15-second recruitment ad, including a static banner.

"Not all handsets can play video, and some can only play them after they are downloaded versus auto playing," says Jeff Janer, CMO for Third Screen Media. "Our technology figured out which was the right ad to serve on any particular device."

The all-inclusive approach entailed a bit more legwork, but was worth it. Response to mobile ads, says Janer, is normally very strong, averaging between 1% and 7% in click-through rates. In the case of the Navy ad, click-through was around 4%, with the video versions generating a higher response than ads directing users to a static banner.

Another challenge in the mobile ad space is the mixed bag of ad sizes inundating the market. Efforts are in place to slim down the selection to a more user-friendly choice of four options. "Web content optimized for the phone should have the right proportion display ad size units to it," explains Michael Hurt, director of strategic planning for advertising with MSN's Microsoft Digital Ad Solutions Group.

"In the mobile space, the display ad market is a strong market and we think that is where a lot of the growth is going to be," says Hurt. "We need to make it as easy as possible for agencies to buy the media entities and for publishers to be able to incorporate these ad sizes."



PARTNERING WITH PRINT

It's no secret that newspapers are facing some tough times as younger demographics turn to emerging technology for their news and information. So it's not surprising that various efforts partnering mobile with good old-fashioned print are in the works.

Universal Press Syndicate, which represents the likes of Dear Abby and Roger Ebert, as well as the cartoons Doonesbury and For Better or Worse, is branching into mobile. The syndicate is developing a page dedicated to mobile to present to its approximately 4,000 newspaper clients across North America.

"Print products are facing circulation woes and revenue concerns, and what we are trying to do is bring new revenue opportunities to the market for newspapers," says John Vivona, VP sales for Universal Press Syndicate.

The page will offer a lively mix of mobile content, sweepstakes and contests, ranging from daily horoscopes, jokes and poker tips all the way to ringtones, wallpaper and reverse auctions. Revenue will be shared with the paper and there will be robust tracking of usage for advertisers. "It is very measurable," says Vivona. "Advertisers on the page will know exactly who they are reaching, which will help newspapers in approaching advertisers."



The phone as a wallet

Is m-commerce the next frontier to be conquered? You bet, say the experts

At this point, it's not a question of if, but when: When will cellphones turn into payment tools at the point of sale (POS)? Some analysts say we're a good five years away from this real-time payment scenario

– due in no small part to a security-conscious public.

Others are convinced we're just around the corner. In fact, they say we're not all that far behind Europe and even Asia, which has been paving the way into this virgin territory.

Whichever payment scenario you buy into, companies are eyeing the possibilities and looking at ways to iron out any kinks that remain. Financial institutions are launching mobile banking pilots, brands are venturing into test runs with technology now available and handsets are being manufactured with

gizmos making mobile POS payments possible.

Radio frequency identification (RFID) technology, for instance, is already being embedded into new generation phones, making them usable for contactless swipe payments. "All the major phone manufacturers are incorporating [RFID

technology] – Nokia, Motorola, etc. – and they are coming over the next quarter to Canada," says Aran Hamilton, regional VP in Canada for VeriSign, a digital infrastructure provider.

Citing a recent Juniper report, Hamilton says close to \$1 billion worth of worldwide payments will be made via the mobile channel by 2010. These figures are also backed by a 2006 Yankee Group report, which, according to Hamilton, forecasted that global revenue for off-deck mobile payment transactions would increase by more than 100% between 2005 and 2009.



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Continued from CWTA12

A new Visa mobile platform launched in the U.S. in March and coming to Canada later this year supports wireless payment systems, offering different mobile payment options. A user at a pop vending machine could text in to a short code to have money automatically debited from his or her account. Or, in the case of handsets with an RFID chip, simply wave the phone in front of the machine to get the soft drink.

"The Visa mobile platform provides mobile operators and financial institutions the opportunity to rapidly develop new mobile services utilizing the unique interactive features of handsets," said Patrick Gauthier, SVP, innovation, Visa International, at the time of the launch.

In countries like Austria, mobile payments are already a reality. Mobilkom Austria developed a technical interface between Coca-Cola machines, cellular operators and payment systems to enable mobile payment at more than 100 pop vending machines across the country.

TAKING THE PRESSURE OFF PARKING

Thanks to mobile technology, racing to the parking meter mid-meal to pump in more coins may be a thing of the past. At least if you live in Vancouver. For just over a year the city has integrated a pay-by-phone option into its 8,400 parking meters. Users can even extend their payment by phone from wherever they may be after receiving an automated text message reminder 10 minutes before their time is up.

The premise is simple: users set up an account online, supplying their cell number, credit card information and security PIN number. When parking, they call into an interactive voice response system, indicating the five-digit meter number and the parking time they would like to buy. Parking officers patrolling the streets access the information with their own handheld devices.

Almost half a million mobile parking transactions have been registered since the program launched in June 2006. Next in line are corporate accounts, as well as pre-paid options for drivers who don't want to use their credit card.



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Scanning with phones

For POS redemption of mobile offers, New York-based ScanBuy Inc., a provider of wireless commerce solutions, uses the latest scanning technology. The company enables camera phones to capture and decode printed or electronically displayed barcodes, particularly 2D codes that are easier to scan.

"We make the software that sits on the phone that enables you to use the phone to read bar codes," says Jonathan Bulkeley, CEO of ScanBuy Inc. "In many parts of the world, like Japan, China and Spain, phones are now beginning to ship with it pre-loaded. In other places, you can download the application to the phone over the air. There is no fee to download; the business model is to charge advertisers to deploy the bar code and they pay on a per-scan basis."

In a recent U.K. promotion for Starbucks, coupons for a 20 cent discount off a Grande Skim Latte were sent to users' phones as a bar code. They could then be redeemed at the POS, where they were read by a specially outfitted Nokia E-50 handset at checkout. "The barcode on the phone was the coupon," explains Bulkeley. "For the consumer, having your payment method or discount on your phone makes sense. From the marketer standpoint, you can trace down to the individual performance of campaigns." In all cases, these campaigns are permission-based meaning the consumer must first opt in to the service before there is any interaction.

Consumer opt-in is also the case for resort operator Intrawest, which has been sending mobile coupons to holiday seekers listed in its database for three years now. The program regularly sends out coupons for things like ski passes, restaurant meals and hotel stays. Cashiers and sales representatives at the POS simply input the code that appears on the phone into the POS system and the customer gets his or her reduced rate.



Redemption rates for the coupons are high - regularly exceeding 52%. In a recent campaign comprised of 1,000 targeted offers, 600 were redeemed, often in record time. "What we found is that the offers have incredible velocity," says Paul Pinchbeck, director of marketing at Blue Mountain Resorts, which is part of the Intrawest family. "An offer

dropped on a Thursday is often responded to and the purchase made by the Friday."

Plans for the future include exercising a tracking and profiling option that would allow the resort operator to fine-tune offers of specific interest to the end user. "That's all in the cards," says Pinchbeck.

These and other advanced m-commerce technologies involve co-operation between many players and on many levels, points out Laura Marriott, president of the global Mobile Marketing Association. Japan, she stresses, has been particularly successful with m-commerce and couponing applications because its carriers all came together to deploy the same technology on their handsets. Similar initiatives would need to be taken in North America.

"We are coming together as an industry to solve issues like these," says Marriott. "Topics for discussion include using the mobile phone number as a unique identifier for loyalty or couponing applications, or moving more towards 2D codes on handsets, or even a solution yet to be discussed. Collaboration across the industry will be key to fast and efficient time to market and consumer adoption."

CREDITS

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GOING FOR GOLD

Visa's Brenda Woods is making sure her brand's Olympic sponsorship stands out from the crowd

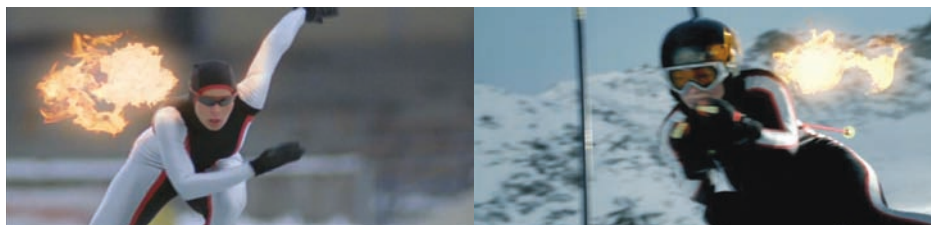
◀ By Annette Bourdeau ▶

With countless brands aboard the Olympic sponsorship bandwagon, it's not easy to carve out unique territory. But Visa Canada's VP marketing, Brenda Woods, just might have figured out how to pull ahead of the pack with a distinct sponsorship property called Team Visa. The program entails long-term support of 19 athletes, as well as financial, media and sports mentoring from financial advisors and retired Olympic athletes like runner Bruny Surin. Visa has begun running vignettes featuring each athlete on TSN for a year leading up to next summer's Beijing Olympics to foster public interest and support.

"We know that our Olympic sponsorship differentiates us from our competitors. But we also have to keep in mind there's a lot of other Olympic sponsors who have their messages out there, too," explains Woods. "[What separates us is that] we're there for the long haul."

We know that our Olympic sponsorship differentiates us from our competitors.

But we also have to keep in mind there's a lot of other Olympic sponsors who have their messages out there, too



She says the mandate of Team Visa – helping amateur athletes achieve their Olympic dreams – is in line with Visa's core brand message of giving people the ability to



Brenda Woods (standing, fourth from right) is making things happen with Team Visa. Below: Olympic "Flame" spot

make things happen. The program was first developed for the Torino Winter Olympics last year, and is now being stepped up for Beijing.

Woods is very focused on leveraging sponsorships in a unique way. In 1996,

worked with the festival to provide cardholders' benefits," she says. Since what people find most valuable at the fest is getting tickets, the program sets aside a certain number of tickets exclusively for Visa cardholders. "What we're looking for is a meaningful link," says Woods. The program is still going strong, and will be in place at next month's festival.

Last year, Visa ran a similar pilot program at Montreal's Just for Laughs Comedy Film Festival, Comedia. It was deemed a success, and this year's sponsorship for the July festival was stepped up a notch, with Visa signing on as the presenting sponsor.

With an increasingly competitive landscape that includes the arrival of Capital One, Woods and her team have had to get crafty about how Visa – which has over 29 million cards issued in Canada – maintains its growth rate.

In the 2002 holiday season, Woods launched the "Win What You Buy" program, which proved to be very popular. During the launch year, one person a day won their Visa purchases from the previous month.

"Our competitive environment became much more intense...so we thought: 'What can be the one thing that can tie all of our promotions together?'" she recalls. "[Our research showed] the number-one prize, other than cash, was this idea of winning what you've already bought."

she led Visa's sponsorship of the Toronto International Film Festival. "We have a lot of support sponsorships, and we wanted to reach a different audience in a different way. So we

Woods says the program was extremely well received. "Now we use it more tactically, like around the holiday season."

Woods is also focused on identifying under-tapped segments in which to foster growth. Last year, Visa launched a campaign pushing card use at grocery stores. "It's a segment where people knew they could use Visa [but weren't doing often]," says Woods. "We did some research, and tested, for example, Win What You Buy. But it wasn't a strong enough incentive to change behaviour, while winning free groceries for a year was." The grocery focus has been supported by creative media executions by Toronto-based AOR Leo Burnett, including transit shelters filled with grocery items.

Woods, who holds a bachelor of commerce degree from the University of Guelph and an MBA (marketing) from the University of Western Ontario, honed her tactical marketing skills when she began her career in 1986 at Kraft, where she worked on brands like Shake 'N Bake and Kraft cheese. "In the U.S., there was the whole shredded and sliced category that was very developed. But it hadn't taken off the same way in Canada," she recalls. To boost their presence, Woods worked with retailers on shelving realignments to land more prime real estate for the cheese products, and as a result the shredded and sliced category caught on.

Woods opted to move from packaged goods to Visa in 1992 for a chance to work on a major brand that does its own Canadian-specific marketing. But the shift to financial services wasn't without its challenges – she really felt the pressure to prove that each initiative she undertook had a worthy ROI. "At the time, marketing wasn't as accepted as a fundamental



Leo Burnett's creative media executions included filling transit shelters with grocery products to prompt people to use their Visa cards to pay for groceries. Transit shelter ads (above) also played a role in the campaign

part of the business as it was in CPG," she recalls. "In financial services, [marketing] isn't the typical career path to the top."

She has managed to work her way very close to the top at Visa, where she now reports to president Derek Fry since becoming a VP in 1999. Her leadership style is collaborative. "Everyone should feel that they have an important role," she says. "I think it's very important that everyone has an understanding of the business." She adds that she includes Leo Burnett as much as possible, with the caveat: "[Financial institutions] have a need to be secretive. Everybody has to work within those constraints."

"She's very good at bringing people in and has

consistently treated us as true partners," says Karen Tilley, SVP, director, client services at Leo Burnett.

Gallant Law, Visa's director of sponsorships and brand, agrees. "She's very fair and very supportive of your ideas if you present a good case for them," he says, adding that Woods got behind the Team Visa Olympics idea immediately and helped him "blow it out" into something even bigger than he'd pitched.

While the Beijing efforts are just rolling out now, Woods and her team are already thinking ahead to the much-anticipated Vancouver 2010 Winter Olympics. But, in keeping with the category's secretive nature, all parties are mum about what to expect. ■

FIVE QUESTIONS

Most bulletproof brand out there right now

Kraft. They have taken a brand that has been around for long time and kept it relevant to consumers.

First job

Salad girl at a summer resort.

What's the number-one thing you look for in an ad agency?

Partnership and a desire to understand our business.

Favourite way to unwind

Watching my kids' hockey games.

What keeps you up at night?

How to show return on marketing investments.

This is media

◀ By Patti Summerfield ▶

Today you can pretty much classify anything that conveys a brand message under the broad heading of media. The industry has moved light years beyond the notion of media-neutral planning into a slightly topsy-turvy world where many media executions don't involve media buys or even media agencies. On the other hand, some of the most creative campaigns are coming out of media agencies *sans* creative agency support.

Summer always brings brands to the street, with guerrilla-style, stunt and event-based efforts. As well as some twists on traditional OOH, this year social media is also making the summer street scene.

Trying to define what media actually is today is something all marketers are wrestling with, says Greg Klassen, VP marketing for the Canadian Tourism Commission (CTC), and often it involves a bit of trial and error. "I think we'll be leveraging more peer-to-peer type of media than we have in the past," Klassen says. "It's simply much more cost effective and hopefully more effective at selling travel because of the emotional connection."

Canadian Tourism taps peer-to-peer media scene



New CTC effort combines old school street initiative with online UGC contest

The CTC's national summer PR and guerrilla marketing campaign, created by DDB Canada, asks Canadians to help sell holidaying in Canada to their fellow countrymen.

Building on its new theme, "Keep Exploring," the CTC is targeting Canadians who usually vacation outside of the country to let them know about all the places they can explore right here at home. Fittingly, the program launched on Canada Day, with performances of original poetry by two spoken word artists on stage at the celebrations in Ottawa.

The guerrilla-marketing component kicked off at the same time with street teams showing up at select events and festivals across the country throughout the summer to encourage Canadians to explore Canada. The teams are armed with viewfinders showcasing images of some of Canada's "hidden" destination

gems, and giveaways include magnets touting an interactive contest, as well as CDs containing the two poems, a screensaver and info about the contest.

The contest itself is a consumer-generated content effort that asks Canadians to post stories about what inspires them about Canada (at www.canada.travel/keepexploring), for a chance to win an explore-the-country-by rail trip.



CTC is also using its database to send out e-mails to encourage users to continue visiting the website and entering the contest. Additionally, the spoken word performances have been posted on social media sites including Facebook, MySpace, Flickr



and Yahoo to further the peer-to-peer aspect.

As per CTC VP Greg Klassen: "We're trying to use this media to challenge



the assumptions of what a vacation in Canada could be like and show that Canada actually offers all the things [people are] looking for abroad – especially in the summer."

Virgin does happy with freezie-cart-as-media road trip



A J.D. Power survey recently found Virgin Mobile to have the most satisfied customers, so Virgin hit the streets to make them even happier.

Branded street teams are rolling into Toronto, Vancouver and Montreal on ice-cream-style bicycle carts, hitting summer hot spots



like outdoor concerts, beach volleyball and ultimate Frisbee games, and festivals. The carts will attend 15 to 20 events in each centre.

The Virgin teams are handing out freezies, flip flops and a push to a contest at virginmobile.ca, with prizes such as a VIP experience at Virgin Music Festival Toronto (V Fest).

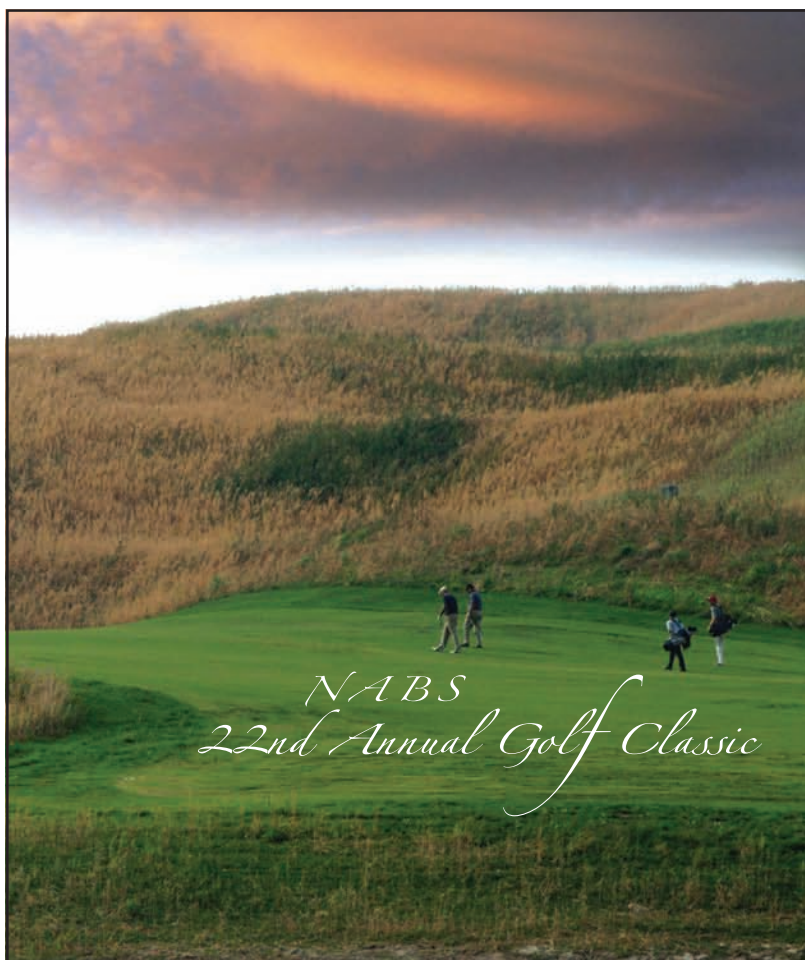
The contest aims to capture info on which mobile provider entrants currently use, and when their contract expires.

The carts are also showing up at key retail accounts such as Future Shop, Best Buy and Wal-Mart, where the teams hand out treats and talk up special offers.

Wills & Co., Toronto, and Segal Communications are behind the effort and say that the bicycle carts are not only in keeping with the brand attitude, they are flexible, cost effective and allow the brand to speak directly with its young adult target.

The initiative launched at Toronto's Gay Pride Weekend in June and runs to V Fest, Sept. 6.

Virgin – ever the cool one: The mobile provider created its own mobile media



*we're holding a spot for you
and your foursome on the first tee!*

Reserve your spot at the 2007 NABS 22nd ANNUAL GOLF CLASSIC.

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Time: Shotgun Start at 10:00 a.m.

Location: The Club at Bond Head

Attire: Respectable Golf Attire

Cost: \$395 each or \$1,500 per foursome

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There are sponsorship opportunities available some of which include tickets to the event.

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phone: Chantal Hunt (416)962-0446 ext.231



TORONTO STAR



CanWest
mediaworks



AQUENT



plan B: Humour + user-generated content



Campaign invites consumers to create their own copy lines

Although contraceptive "accidents" are no joke, Taxi Montreal and Media Experts combined cheeky humour and street teams to increase brand awareness, entertain and educate women aged 20 to 29 about plan B, the emergency contraceptive also known as the morning-after pill. The result is "Share Your Oops," a national summer program created for Montreal-based Paladin Labs that entails guerrilla marketing, event sponsorship, campus and resto bar efforts, interactive OOH, digital and magazine. As the name suggests, it also invites consumers to share their personal stories.

Randy Newman, account planner for Media Experts in Montreal, says in the past media for plan B has stuck to resto bars and washrooms in campuses, because that's where the target is, and it also allowed for gender targeting. "This year we're doing things a little differently, because we saw through testing that our market had become desensitized. So it was time to ramp it up a bit."

Share Your Oops began in early June at Toronto's independent music festival North by Northeast (NXNE). In addition to sponsoring some of the concerts and having a booth onsite, women wearing plan B-branded clothing distributed nearly 2,000 pairs of Tagalongs disposable underpants tied with a branded wrap and the line, "The I should have kept my panties on pill." plan B is also sponsoring the POP Montreal festival, Oct. 3-7, and street teams will be there with another round of disposable panty giveaways.

With the creative concept built



around the line, "The ____ pill," Newman says interactivity was a natural component of the campaign. Multiple copy lines have been created to describe incidents when plan

B is necessary, ranging from the straightforward "The the condom broke pill" to "The I had 5 martinis, 6 shots of tequila, danced with my bra on the outside of my shirt, met a hot guy, took him back to my place and I don't remember the rest, not even if we used a condom pill."

Digital video billboards onsite carried many of Taxi's lines, and those



attending NXNE were encouraged to add their own "oops" directly to the boards through mobile messaging. This interactive feel continues with the use of holographic boards where a different tagline is seen depending on the angle from which it is being viewed.

In addition to live marketing in Toronto and Montreal, there are a number of national components. In late June shareyouroops.ca launched, along with OOH, print and online ads urging women to go and share their stories. Boards placed in dressing rooms of various women's clothing retailers have tear-off pads printed with "The ____ pill" and the microsite's URL to encourage participation, and online banners running on sites such as Facebook and MySpace and networks such as MSN allow viewers to type their "oops" directly into the ad.

Other elements running throughout the summer include lenticulars, mini-boards and extra-lights placed in bars/clubs and mirror-adjacent in bathrooms. At the end of summer, additional media will be added to reach students in bars and clubs on and around university campuses to take the campaign through to December.

OUTSTANDING NEW CAMPAIGNS



◀ By Annette Bourdeau ▶

NEWFOUNDLAND AND LABRADOR RUB GRIDLOCK, SMOG IN TORONTO'S FACE

Tired of gridlock and smog? Newfoundland doesn't have either. Jealous?

The latest campaign from St. John's-based Newfoundland and Labrador Tourism, by agency Target, also of St. John's, taunts Toronto commuters with a superboard on the city's busy Gardiner Expressway depicting a clothesline blowing freely in the clear, crisp air against a blue-sky backdrop. The headline reads: "No. I'd rather sit in traffic."

"After kicking around a bunch of ideas (some, like a mechanical whale in Lake Ontario, not so practical), we thought about bringing a piece of our landscape to Toronto in the way of a clothesline," explains Tom Murphy, CD at Target. "The clothesline idea represents freedom, expression and creativity."

The target audience is sophisticated travellers looking for destinations off the beaten path. The campaign also includes newspaper ads and a unique radio effort, with Newfoundland and Labrador Tourism sponsoring daily air quality alerts in the Toronto area, bragging about the province's smog-free status.

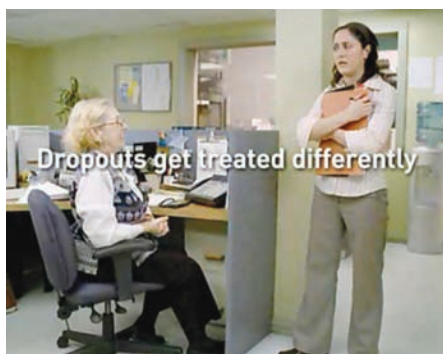
"The [smog alert tags] idea was born out of a group of agency people who travel back and forth to Toronto for work. On one of those trips in the dead of summer, someone came back and was almost shocked getting off the plane at how clear and clean and fresh the air really is out here," says Murphy.

The campaign is taunting Torontonians throughout the summer, and wrapping up in August.

client: **Carmela Murphy, director of tourism; Andrea Peddle, manager of advertising & communications; Brett Thornhill, advertising officer, Department of Newfoundland and Labrador Tourism, Culture & Recreation**
agency: **Target**
CD: **Tom Murphy**

copywriters: **Jenny Smith, Terri Roberts, Jim Francis**
AD: **James Jung**
photographer: **Alex Spraezt**
production manager: **Maggie Keiley**
account director: **Catherine Kelly**
account manager: **Danny Smith**





TAXI TRIES REVERSE PSYCHOLOGY

Go ahead, drop out. But know that you'll be treated like a lost child forever.

That's the message behind four cheeky TV spots from Taxi Calgary and the Calgary-based Telus World of Science, urging high school kids not to be lured out of school by high-paying labour jobs. Each spot features an office employee being treated like a small child by coworkers, with the tag: "Dropouts get treated differently."

The concept originated at Taxi, which thought the science centre would be a good partner for the message.

"One of Taxi's goals is to be socially and economically relevant in the areas where we operate," says Christina Hill, group account director at Taxi Calgary. "With the economic boom in Alberta, there's an urgent need for this message."

The target is high school kids, with males 15-18 the core. "We really wanted to make sure we weren't preaching to them," says Hill, explaining the cheeky tone. "As a young adult, the last thing you want is to be treated like a child."

The spots launched in the spring, and will begin running again in the fall following a summer hiatus.

client: **Jeff Hessel, marketing director; Georgine Ulmer, executive director, Telus World of Science Calgary**
ECD: **Zak Mroueh**
copywriter: **Joseph Bonnici**
AD: **Sam Cerullo**
account directors: **Christina Hill, Karen Pearce**
agency producer: **Jennifer Mete**

prodco: **Reginald Pike**
director: **Brian Lee Hughes**
producer: **Tom Evelyn**
executive producer: **Josefina Nadurata**
editor: **Brian Wells, School Editing**
audio: **Pirate Radio & TV**

HALIFAX UNITED WAY "ANTHEM" STRIKES A CHORD ACROSS CANADA

No doom and gloom here.

An optimistic "anthem" highlighting all the positive ways the Halifax United Way contributes to the community has been picked up by about 20 other United Way chapters, including Vancouver and Edmonton, and is set to start rolling out in the new markets this fall. The campaign was crafted by Halifax-based agency Colour in December.

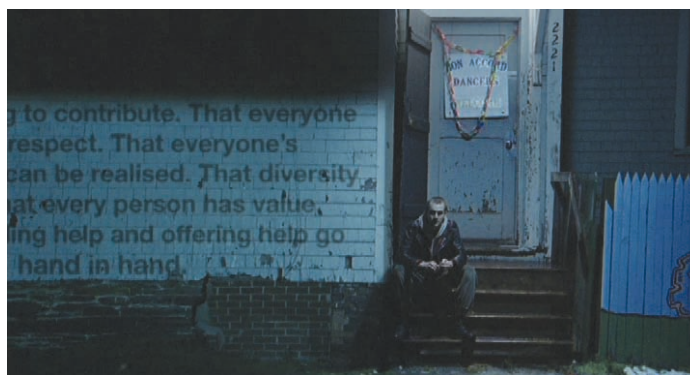
Colour opted to reposition the United Way in a more positive light, rather than just focusing on problems. The agency spent time speaking with social workers who receive funding from the United Way to glean insights. "Through our discussions with the [charities] it became evident that there are a lot of positive experiences," says Brian Hickling, CD at Colour. "We've always done the 'please give' and 'hard times' stories.... We said: 'Isn't there a good news story here?'"

The positive focus resonated with many other United Way chapters, whose members saw the spot at the United Way national convention this past May. "The United Way didn't just want to be seen as collectors of money. They wanted to be known for the great work they do," says Hickling.

The anthem ends with the tag "I believe in possibility." There is a 30-second version and a 45-second version.

client: **Carole McDougall, director of communications, United Way of Halifax Region**
agency: **Colour**
CD: **Brian Hickling**
copywriters: **Brad Dykema, Jason Thomas**
prodco: **Egg Films**

executive producer: **Mike Hachey**
director: **David Hicks**
line producer: **Mike Masters**
DOP: **Jonathan Cliff**
editor: **Johnny D, School Editing**
sound: **Egg Radio**
special effects: **Crush**



You are cordially invited to submit your new, dead clever and previously unrevealed campaigns to: editorial director Mary Maddever at mmaddever@brunico.com and CD Stephen Stanley at ssstanley@brunico.com, co-curators of *strategy's* Creative space.

THE SOUND OF WINDOWS

New York City storefronts are abuzz with sounds of Canada, thanks to new non-noise-polluting sound technologies

◀ By Annette Bourdeau ▶



It's not often you hear a polar bear crunching through the snow in the middle of Manhattan. Especially not in the heat of summer.

The latest campaign from Vancouver-based Canadian Tourism Commission, by DDB Canada, aims to "intrigue" passersby with unique storefront executions that include sound only audible within a couple of metres of the window.

DDB used a technology called "Whispering Windows" from London, U.K.-based tech company Feonic. It works by turning the store window into a large sound radiator, emitting audio at a fixed volume level that's only loud enough to hear while in front of it.

"The campaign is about playing up unique experiences in Canada. [Whispering Windows] is a great way to bring the experiences to life," explains Andrew Simon, CD at DDB Canada. "It's always on.... As you pass by, for example, you would hear a tundra buggy pulling up, and a polar bear approaching."

CTC and DDB draw pedestrians in with Whispering Windows technology

One execution features a photo of a person nose-to-nose with a polar bear, with the tag: "Does polar bear breath smell like fish?" (DDB also did a print version for *New York* magazine using a scratch-and-sniff patch. Instead of an unpleasant fish aroma, though, DDB opted to give it minty fresh breath.)

NYC-based International Robotics produces a similar audio technology called Hypersonic Sound Beams, which works by projecting sound waves and using the target's surface as a speaker. So if the target is a person, their head becomes the speaker. Sound waves can be projected from up to 300 feet away. ■

feonic.com/internationalrobotics.com

MediaCheck is checking you out

New decoder boxes can tell who's in the room, and when and how viewers watch TV

The TV is watching you. Kind of.

A new TV research program called MediaCheck, from Tenafly, N.J.-based research company PreTesting, includes a decoder box equipped with a motion sensor that can tell if someone is in the room or not. And the decoder is audio-triggered, so it can monitor TV shows that have been pre-recorded with TiVos or time-shifted with digital cable, and record what time each program/commercial is viewed.

The decoder has a green light that flashes when a commercial has a corresponding online offer. Thanks to the decoder's memory stick, viewers can transfer data to their computers to see all the online offers at their convenience. This feature helps advertisers figure out if their TV and online efforts are integrated well enough, as well as when and how viewers are watching programs. Viewers are encouraged to log in with their memory sticks daily to see if they've won a \$50 prize.

"You can keep watching your favourite shows, pull out the memory stick later, log in to see if you've won \$50, and you'll see a list of online offers that you've captured," explains Lee Weinblatt, CEO of PreTesting. "The idea is that we make it simple – you don't have to search for things."

PreTesting works with TV networks that offer the MediaCheck program to their advertisers. The networks are responsible for promoting the boxes on-air, inviting viewers to sign up for a chance to win prizes. Currently, PreTesting has network partners in Austin, Las Vegas and Milwaukee, and a network in San Diego has just ordered 25,000. Each market has an average sign-up rate of 500 households



Viewers are encouraged to log in and check out offers, with cash prize incentives

per week. PreTesting plans to continue rolling the program out across the States as well as begin working with networks in Canada sometime in the near future.

Advertisers pay 50 cents per coupon printed, and they are able to cap the number of coupons printed to fit their budgets. Burger King participated in a pilot version of MediaCheck

last year and saw an unheard-of 53% coupon redemption rate.

Sony and Panasonic have told PreTesting they will consider embedding the decoder chips into their television sets if they can prove it's something that networks and viewers want over the next two years. **AB**

STEP CHANGE

◀ By Mary Dickie ▶



When *strategy* decided to introduce a new special report called Step Change, we wanted to celebrate companies or brands that are breaking the rules and redefining the marketplace for themselves – and, ultimately, for everybody else.

In our search for those going boldly where no one's gone before, two major themes quickly emerged: the increasing role of corporate social responsibility in marketing and the changing relationship between agencies and clients. We found all kinds of strange new things happening: a bank giving profits back to the community; a massive retailer slashing its energy use and its packaging; and advertising agencies wading into the business of creating art and designing nightclubs. Read on to see who's disrupting category conventions in our inaugural Step Change challenge.

STEP CHANGE

VANCITY: CSR as brand identity



Established in 1945, Vancity is Canada's largest credit union, with 50 branches in the Vancouver-Victoria area, 340,000 members and \$10.5 billion in assets. As a co-operative, social responsibility has always been part of Vancity's DNA, as Sloan Dinning, director, brand and marketing communications, points out. And innovations like the Shared Success program (which returns 30% of bank profits back to members and the community), the EnviroVISA (5% of card profits go to an environmental fund chosen by cardholders), and the Circadian mutual funds (which not only invest in companies with progressive practices but also press companies to improve their CSR), make Vancity stand out from other financial institutions. But the company didn't figure out how to capitalize on its innovations until Dinning and Vancity had a revelation, with the help of Jim Southcott, chief strategic officer for TBWA\Vancouver.

"I think where the light went on for us was in the brand tracking work," says Southcott. "When we came on to work with Vancity about three years ago, the credit union side of things in B.C. had really grown, and there was an

expectation that credit unions should have the same products banks have. But not all of those products stood out or were really associated with the brand, whereas with some of the unique products, like Shared Success, there was a huge rate of attributing it properly to the brand. So we said, if people are associating these products with us so strongly, why don't we build on that?"

"Four or five years ago, we tended to be pretty traditional marketers, doing the same me-too product-focused stuff as our competitors," adds Dinning. "But we realized that CSR was what made us different. So we thought, why don't we start leveraging this uniqueness to set us apart and give us some better

traction in our marketing?

"When we brought TBWA\ on board, they presented us with an interesting process called Disruption. We sat down and identified the conventions in the financial services industry that we could overturn to set us apart. The category is very un-consumer friendly; it's a grudge category, people feel they're a captive audience and that banks are all the same. So we set a vision of seeing if people could actually be inspired by their relationship with a bank. In our category, that's a lofty statement.

"It took time, and we had to find the right tone of voice, 'cause so much in CSR is so serious. Vancity had to be seen as serious bankers, but

We'll listen to your business idea
even if you're not wearing a tie.
Or, if you're only wearing a tie.

Vancity

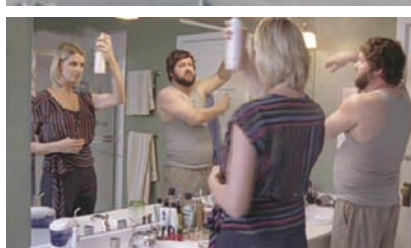
CSR TAKES HOLD



not take themselves too seriously. There are some quirky aspects, and we had to find the right voice so that it stood out, because now everybody's chasing CSR."

Vancity's current campaign is headed by the tagline "We All Profit," and includes TV spots, transit shelter ads and a solar-powered billboard to trumpet the EnviroVisa, the Clean Air Auto Loan (which provides preferential rates to buyers of fuel-efficient cars), and the Mixer Mortgage (which allows friends or family members to go in on a mortgage together). One ad features a couple in a melting igloo speculating on whether it's time to look for a new home to illustrate borrowers' ability to save with its high-ratio mortgage insurance program. As well, in June the company released 45 branded bikes into the community to launch its Bike Share program.

The results have been impressive: 50,000 new members have joined Vancity in the past two years. "We've seen tremendous growth in member acquisition, and some really good



shifts in the key metrics from a brand tracking perspective," says Southcott. "One in particular that's important for us is the statement 'willingness to consider Vancity for your next purchase,' which has moved from 27% in the first quarter of '05 to 37% in the first quarter of this year."

Other companies are bound to be inspired by that success, but Dinning and Southcott see it happening outside the FI category. "Part of the challenge with banks is that their end goal is to maximize shareholder value," says Dinning. "They'll always do their philanthropy, but the pessimistic side of me says banks are focusing on CSR just to keep up with the times as opposed to wanting to make a difference. But it will happen in other industries. And the more people that get on the bandwagon, the better."

Above: Cheeky spots tie climate change to bank offerings. Left: Branded bikes, transit shelter ad help Vancity stand out

Digital Signage: Connecting on-the-go

Consider this: consumers don't spend their entire lives online or in front of the television. They're out and about – shopping, attending events – enjoying an active lifestyle away from the home.

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STEP CHANGE

WAL-MART:

Small changes equal big results

If it's hard for a bank to change direction and reputation, what are the chances for the ultimate big-box retailer? The behemoth that is Wal-Mart is trying to find out with a multi-pronged effort to reduce packaging waste and energy use, and bring more green products into its network.

Considering that it's one of the largest corporations in the world, with \$345 billion in international sales last year, even a small effort is bound to make huge waves. But Andrew Pelletier, VP corporate affairs for Wal-Mart Canada, which employs 70,000 Canadians at 278 locations, says that the company's plans to reduce its environmental impact are anything but modest.



CSR TAKES HOLD

"We want to become powered 100% by renewable energy; we want to generate zero waste; and we want to become a leader in providing products that are good for the environment," he says.

Ambitious goals, but Wal-Mart is already taking some significant steps in that direction. This summer it's operating using only two-thirds power – which Pelletier says will result in a saving of 4,500 tons of carbon emissions – and on Aug. 29 it is holding a Green Product Fair in Montreal to give suppliers of organic and fair trade products the opportunity to be carried in Wal-Mart stores. "We are determined



Green efforts include recyclable shopping bags and multiple-use transport boxes

to make room on our shelves for environmentally friendly products from Canadian companies," says Pelletier. "We already carry a broad range, including a line of organic cotton baby clothes." As well, stickers branded "For The Greener Good" will be placed on environmentally preferable products in stores.

But perhaps even more significant is Wal-Mart's efforts to reduce packaging waste. In June the company held a packaging expo in Toronto which brought 100 of the company's suppliers together with providers of sustainable packaging. "We also introduced our packaging scorecard, which will allow our suppliers to track the sustainability of their packaging and give them a tool to move toward more sustainable packaging," Pelletier says. "Our goal is to reduce our packaging by 5% over the next five years."

The company diverted 120 tons of waste from landfill in one year with a plastic film recycling program, and 1,400 more by switching to a plastic

box (for transporting products between stores and to and from suppliers) that can be reused 60 times. And when you consider that reducing the size of a box used to ship toys across North America by just one square inch resulted in saving 3,450 tons of corrugated paper, 600 tons of PVC plastic and 300,000 litres of fuel over five years, you begin to realize the impact that the company can have – even if it were only doing it for the cost savings. And that doesn't include the spillover effect on all its suppliers and competitors.

"We are a high-profile company, and people watch us closely," says Pelletier. "Typically, when the industry finds out we're doing something, we see other businesses doing the same thing. And since we've started talking about our environmental initiative, I increasingly see others taking our lead. We're determined to share the best practices with the industry so others can benefit from what we're learning on our way. We believe it's the issue of our time."



RETHINK & THE CAG:

Is it art or advertising?



NEW ROLES FOR AGENCIES

As its name would imply, Vancouver's Rethink agency doesn't tend to follow rules. Its collaboration with the city's Contemporary Art Gallery (CAG) even redraws the boundaries of what an agency can do for a client. Rethink has created work that is as much art as it is advertising, and succeeds on both levels.

"The gallery had very little money, and they had a particular challenge in that their location is in an apartment building, which is odd," says Rethink's co-CD/founder, Ian Grais. "It's adjacent to the Yaletown commercial district but not really in it, so you don't expect to find it there. All these challenges were folded into the brief, and we came up with the button wall."

To attract attention to the gallery, as well as demystify contemporary

art, Rethink created a wall containing 50,000 removable buttons – each printed with a single word describing a possible reaction to contemporary art – and displaying the line: "This is contemporary art."

"That got a lot of press," says Grais. "You still see people wearing the buttons, and attendance spiked when the installation was up. The buttons were gone in 36 hours, but the hoarding was up for three weeks, and they signed up a bunch of new members. So it was a big success, and they only spent I think \$15,000, which is peanuts."

Next came a drive-thru all-night video installation at the gallery.

"That was another way to be creative with the resources they had," says Grais. "They had a loading bay in the alley where we were able to put a flat-panel television, an interactive touch-panel kiosk and a speaker setup so you could tune into it on your car radio. You could choose between six different videos. They logged hundreds, if not thousands, of visits, and it was something we developed at reasonably low cost that they could continue to use – and they're using it again this summer."

A third project is in the works for early November, but Grais says only that it

will involve taking over the exterior and interior of the gallery and be geared toward public participation.

Grais, who contributed a piece to another gallery show, a 14-hour video feed that included all the raw footage for a 30-second commercial – "I don't think anyone watched the whole thing except the ad people," he laughs – is aware that he's breaking new ground in his work for CAG.

"It's funny, because [gallery director] Christina Ritchie would call it outreach, and I call it interactive promotional installations," he says.

"I was taught that there's no difference between design and art and advertising, it's all visual communication," he adds. "We practised that in the way we structured Rethink. More and more, we're bringing together multidisciplinary teams of people to solve problems."

Currently Grais is working with a game designer, an interactive programmer, the interactive team, graphic designers and an educator from UBC to build the gallery's new website and an online extension. Grais says Second Life is being considered, adding that: "We're taking our collaboration to greater levels."

"The gallery still wants to turn more people on to art, open itself up to new audiences, be less intimidating and help people access art and learn more. So the brief hasn't really changed, it's just the way we look at the problem and who we want to work with. It's really just about being co-operative, and not being stuck in your traditional role."

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Regina Ebel, Executive Vice President, Director,
Television Production, *BBDO New York*
Jason Zada, Founder, Executive Creative Director, *EVB*
Matt Miller, President, CEO, *AICP*
Shawn Lacy-Tessaro, Executive Producer, *Biscuit Filmworks*
Cedric Gairard, Head of Production, *180 Amsterdam*
Nancy Vonk, Co-Chief Creative Officer, *Ogilvy & Mather Toronto*
Mike Byrne, Creative Director/Partner, *Anomaly NYC*
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STEP CHANGE

SID LEE & CIRQUE:

From marcom input to creative partner



Cirque has created a bar called "Revolution" next door to its Vegas "Love" show

NEW ROLES FOR AGENCIES

Montreal's Sid Lee is another agency that stretches the boundaries from advertising to product creation. The co. includes architects and designers to create environments for clients, and has a collective to showcase employee side projects like music and furniture design.

But Sid Lee chairman Bertrand Cesvet says it's the fertile relationship with Cirque du Soleil – recently named as the most iconic Canadian brand by a Brand Finance Canada survey – that has really allowed his agency to blossom.

"They're our defining client," says Cesvet. "These guys have the most incredible network around the world, and they enable us to stumble onto amazing

opportunities that would have been unheard of in our industry in Canada."

Sid Lee's work for Cirque ranges from website design to coming up with the visual identities for their shows. But now their collaborations are moving into developing branded retail environments, such as Cirque-themed spa or restaurant concepts.

"More than 10 million people a year see Cirque du Soleil," says Cesvet. "In terms of brand love, it's unbelievable. And Cirque wants to explore other avenues. So they've been staging special events, and if you want a \$2-million bar mitzvah, they're the ones to ask. They launched the new Fiat Brava in Italy. They've created a bar next to the theatre where they're playing in Las Vegas."

People want more of Cirque, says Cesvet, and Cirque has been longing to create other kinds of experiences. "Research has told us that consumers see Cirque as a great creative brand that can deliver very strong experiences. So if we tell them we'll do a Cirque bar or hotel lobby, they get excited."

While their collaborations are still in the planning stages, Cesvet promises that they'll involve much more than a recreation of a Cirque show in a bar.

"Cirque visits more than 50 cities a

year, and amasses insights about the global village that no one else has," he says. "We're not trying to do a bar where there's a clown in the lobby and a trapeze over your table. We want to emphasize this nomadic lifestyle where we pick up esthetics from around the world and integrate them. That's what a Cirque du Soleil show is, the integration of all these cultures. And what we're trying to achieve with these experiential products is the same thing."

And Sid Lee's role has been evolving. "We went from being a communication partner to a creative partner involved in the development of these projects," Cesvet explains. "We've tried to move from being a marketing communication company to being a commercial creativity company, implementing all kinds of disciplines that are involved in creating values for brands. We've basically molded our value proposition to better service Cirque...and said: 'Wouldn't it be cool if we brought our brand of commercial creativity together with their artistic creativity?'"

"It is a completely new frontier," says Cesvet. "We went from being nonexistent as a player in creating consumer experiences to being on top of the world. It's really interesting. If you feel the desire to create a new value proposition with some investment in intellectual capital, and you add the special sauce of a big brother like Cirque that opens all the doors, then it's a pretty potent recipe."

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◀ By Tony Chapman & Ken Wong ▶

Made in Canada “thought starters”

Ken Wong, associate professor business & marketing strategy at Queen's School of Business, and Tony Chapman, CEO of Capital C, plot, lament and generally try to get to the root of what needs fixing on the Canadian marketing front, in an ongoing e-mail exchange which **you're invited to join. Just e Tony, Ken or Mary Maddever with your solutions...**

From: Tony Chapman

[tchapman@capitalc.ca]

Sent: Friday, July 09, 2007 9:50 AM

To: Kenneth Wong

Subject: thought starters

I've been asked to give a talk on the future of Made in Canada Marketing and I need help. The future I'm seeing isn't very bright. Multinationals faced with deflationary pricing in the trade and inflationary costs of goods are doing everything they can to cut costs, including consolidating brand strategy and creative at head office. Thoughts?

From: Kenneth Wong

[kwong@business.queensu.ca]

To: Tony Chapman

I just wrote for the *Conference Board Record* on the need to rebrand corporate marketing, especially in multinationals. The pressures you note are just the tip of the iceberg of forces leading to a new emphasis on “marketing efficiency.” Even if we can't always estimate ROI, we need to do whatever we can as efficiently as possible. But when it comes to global business, the template is global manufacturing and global product mandates, which means centralization and standardization.

From: Tony

To: Ken

Yes, efficiency is what drives capitalism and innovation. What I don't get is that all signs point to a consumer who is moving from mass to my – how can they possibly be served by a one-size-fits-all strategy and campaign? Case in point: why is the super premium segment in packaged goods and retail categories now being contested by entrepreneurs, while the beer, car, food and retailers that used to dominate this space are now fighting for their lives in that no-man's land that borders against Private Label?

From: Ken

To: Tony

There's nothing wrong with efficiency

gains via centralization. But somewhere along the line we lost sight of the second part of “Think Global, Act Local.” There was supposed to be a “re-allocation” of savings from globalization (where possible) into better LOCAL execution and customization. Without the customization, we're selling commodities ON price. The smaller players, by contrast, use customization FOR price.



From: Tony

To: Ken

Canada is where these multinationals should be testing the campaigns of the future.

At global HQ their business is complicated by layers of management, a massive roster of agencies, and the pressure of making things happen in their “home court.” To even co-ordinate a meeting could take months, let alone the impossibility of having so many interests agree on the killer insight and the big idea.

Give the challenge to Canadians. The marketer can assemble a dream team in minutes, with talent who have cut their teeth on making the impossible possible for a fraction of the cost.

From: Ken

To: Tony

Absolutely! What better testing ground for

global programs than a place that weaves cultural diversity into the fabric of our society? Anyone who sells anything knows Quebec is different from Ontario, which is different from the Atlantic and Western provinces. If it works here, it'll work anywhere.

From: Tony

To: Ken

How do we champion this cause?

From: Ken

To: Tony

Give Mary at *strategy* a call. This is right in their power alley...practical thought leadership. Maybe we can do a series.

From: Tony

CC: Mary Maddever

[maddever@brunico.com]

Thoughts???

From: Mary Maddever

To: Kenneth Wong, Tony Chapman

Sounds like a column, even a series...but I'd love to hear some solutions.

The Dove team certainly made some substantial noise for Made in Canada marketing, so there are significant successes out there. In that vein, I would like to invite anyone who's made strides in the realm of shoring up Canadian marketers place at the global table, or knows of some effective strategies, to please, send us an e-mail, so we can share your ideas and intel.

Ken Wong is a career academic at Queen's School of Business where he's obsessed with practising what he preaches. He can be reached at kwong@business.queensu.ca

Tony Chapman wishes he had half the IQ of Ken Wong. He is an entrepreneur who will always resist the overtures of the multinational agencies in favour of having Capital C's destiny a matter of choice, not chance.



◀ By Luke Moore ▶

Explorations from the IPTV divide

It is not that I was consciously considering the report issued last year by IBM Business Consulting Services titled “The end of television as we know it: a future industry perspective” when I sat down on a Thursday



evening in the late spring to seriously view video podcasts for my first time. No, it was much more about the extreme lethargy my television was causing me. That evening, unrelated vectors including targeted in-market advertising for CBC podcasts, a book that wasn't capturing my interest, the Apple iTunes store and a mind reader who seemed to be making a comeback all converged. It was at this intersection that my explorations on Internet television began.

IBM had identified two key drivers of change in the TV industry: access to content through new platforms and increasing involvement with viewing. I watched my computer with interest as a Bud Light ad transitioned into *The Hour* featuring The Amazing Kreskin. I realized that I had moved myself from the lower left quadrant of one of IBM's graphs into the upper right. It was all very entertaining and satisfying. Oddly, the pain I had been experiencing earlier watching conventional TV was gone.

After viewing the podcast for the full 17 minutes, I enthusiastically clicked onto another one containing an interview with a

Mossad spy. This video opened with a Bud Light ad as well. When I clicked through to watch an episode about people who eat trash, it too opened with a Bud Light ad, and this prompted me to think.

I fully appreciate the benefits of segmented targeting, but the experience brought back

When an interested video-content consumer navigates through this Canadian landscape, **and is then met with access limitations, lack of choice or shocking ad frequency levels**, the prospect of that consumer returning in the near future has been reduced

memories of specialty TV's early days, which were rife with horrendous levels of ad repetition. When I moved to the CTV site only to view a Molson ad over and over again with every video viewing, my suspicions were confirmed. We as an industry were fueling a new environment of segmented and brain-numbing commercial wearout.

The repetition that still exists today in some specialty and dignet environments is now being further exacerbated by the online TV offerings. Any consideration over commercial wearout seems to have been pushed aside by the interests of targeting, new platform ventures and the making of the media sale. Often, we serve up ad frequency levels to our most desired consumers that are way beyond a logical threshold.

There's an even greater harm here, and it resides in the stickiness of TV's online offerings in Canada. Although it's better this year, the Canadian TV online offering as a whole feels well behind that of other countries. When an interested video-content consumer navigates through this Canadian landscape, and is then met with access limitations, lack of choice or shocking ad frequency levels, the prospect of that consumer returning in the near future has been reduced.

For anyone over 30, watching TV is a whole lot easier than this online experience, even if

there is a desire to be more involved. For the under 30s, they just follow the content, and if the Canadian sites are not providing it – as is often the case – they simply go elsewhere.

We keep hearing that content is king, but there is nothing like trying to access blocked shows to feel like the fool.

Let's fix it before Canada falls off the map.

1. Media agencies: Forge agreements that are multi-brand or multi-client in nature to help reduce irritating frequency levels.
2. Creative agencies: Develop multiple creative versions to accommodate the multiplicity of exposures.
3. Media: Get the foreign-produced content issue figured out quickly; geo-blocking, no-choice and the YouTube quagmire are not viable options for this country.
4. Clients: Take risks and experiment – advertisers are complicit in the state of this environment.
5. Research: The lack of research is hurting us all, but collectively we can address this. We need to better understand engagement across the many channels that now exist.

IBM was predicting a major shift to on-demand television viewing by 2011, but it might take much longer for Canada. In fact, if we continue serving up online experiences like today's, we can safely predict that many viewers' involvement with viewing will remain relegated to the TV remote, until we fix it.

Luke Moore is SVP director of business development at M2 Universal. He freely admits videogames have changed his life for the better. Luke can be reached at luke.moore@m2universal.com.

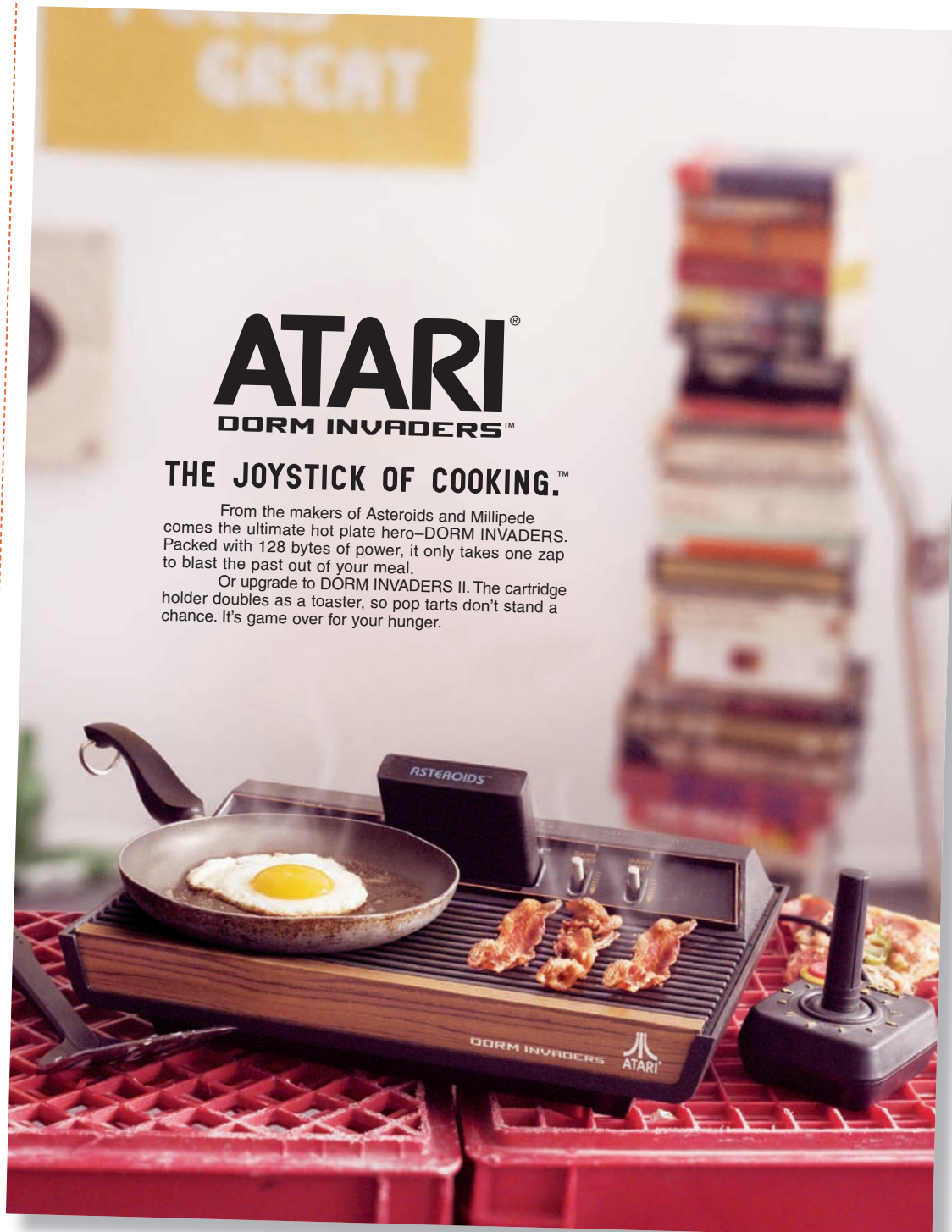
BREAKFAST OF CHAMPIONS

Agencies are getting into the product creation game as another outlet for their consumer insight intel and marketing savvy. *Strategy* wondered if there's an opportunity for shops to go a step further, and find new niches for products that time has left behind. **ACLC's** team prove reviving dead brands does offer new revenue stream potential. And so eco-friendly!

copywriter: Ann Aberin

AD: Natasha Romanelli

SVP/CD: Tony Miller





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