

# THE WALL STREET TRANSCRIPT

Questioning Market Leaders For Long Term Investors

## **MICHELLE MARKS and JOHN CONNOLLY - IDEAS ON PURPOSE**

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**TWST: Kindly give us a brief history of what you -- of your company and an overview of what you do.**

Ms. Marks: Ideas On Purpose is a five-year old design firm. We are fundamentally a creative company. We help our clients through a broad range of assignments -- identity, branding, annual reports, corporate collateral and Websites to name a few.

**TWST: What is the -- is there a particular sector that you specialize in?**

Mr. Connolly: We specialize in brand communications. We have long-term relationships with clients where we will address their identity, logo, complete stationery system, Website, brochures and help on an as needed basis for their ongoing communication needs. Or, we help clients on individual tactical assignments. Either way, we can help them establish continuity in their brand expression and a distinctive voice in the marketplace.

Ms. Marks: We use our communications expertise across a variety of business sectors. We are communications experts and bring our expertise to a broad range of clients working in a broad range of business and market sectors.

**TWST: Could you give us some examples then of some of the sectors you work with as well as some of your -- some examples of your clients?**

Ms. Marks: We have worked in financial services, energy, biotech and healthcare to name a few. We have worked with clients such UBS PaineWebber, Warburg Pincus, Miller Buckfire Lewis Ying, NYCE, 3M, NewPower, Competitive Power Ventures, Octel Corp., Clinique, Memorial Sloan-Kettering, Regeneron Pharmaceuticals and many others. We've had across-the-broad range. We've done work for public and private companies, large and small. We've done work for chemical companies to conglomerates. So, you can see it's a very wide range.

**TWST: Typically how long does a contract last with the company or is it renewed on a yearly basis?**

Ms. Marks: We typically work on a project basis. So, it really depends on the scope of project. Some projects include many, many components and they might be longer, but it's really a case-by-case basis. Everything we do is very customized. Each solution is tailored and each contract is very specific to that assignment. For a timing example, an annual report assignment might take four to six months and a Website assignment might take two to four months or less and depending on the scope of the assignment.

**TWST: Is your -- would you say that your company is national in its scope?**

Mr. Connolly: Yes. We work across many boundaries. We are a small firm with a number of clients, locally, regionally, nationally and occasionally internationally. Even though we are based in New York City, we don't see any barriers to working across borders or across the country.

**TWST: New York is, of course, the heart of advertising as they say and it is a very competitive field. What would you consider as your strengths and advantages?**

Ms. Marks: I think we offer a number of different strengths and advantages, particularly our creativity and our scale. Our work is recognized in our industry and by our clients as unique. And, we are a boutique firm offering a very high level of service with at least one principal on every account. It is very different when you work with a large firm and never know exactly who is on your account. We add value to the process and outcome of our projects, we come in and are a true partner.

**TWST: When assigning account executives, all executives do a particular project. How important is domain expertise?**

Ms. Marks: In terms of --?

**TWST: If you are dealing with a bank, for example, or if you are dealing with a biotech company, how much of a domain expertise do these account executives have?**

Ms. Marks: Our domain expertise is communications and it's applicable across many fields. Companies choose to work with Ideas On Purpose in order to stand apart from their competition and break through the visual clutter. Working with a vertically specialized communications firm can run counter to those aims. In our opinion if we only worked for one type of client or within one industry, for example financial services or biotech, we would be doing a disservice to our clients. They need to stand apart from their sector, but also from the mass of information everyone is bombarded with every day.

**TWST: Give us the -- what you are seeing as far as trends and communications are concerned. How much has technology changed that field?**

Ms. Marks: There are trends that don't have to do with technology and then there is technology. We were just talking about this John -- there has been a contraction in the market, there has been a big economic slowdown, there has been a contraction in spending in terms of marketing and advertising over the past few years. We are definitely seeing a turnaround there, that is about the economy. Technology, particularly the web, has added another tactical vehicle to communications programs. In terms of technology for the back-end and how it helps us accomplish our jobs -- there are also other trends, but I am not sure those are relevant here.

**TWST: In terms of client requirements and given the budget constraints that they have in the advertising and marketing budgets, what do you sense that they want most from a company such as yours?**

Mr. Connolly: They want the most value for their dollar. They are looking for partner who is not going to waste their time, who will work smartly, work efficiently and deliver a high-quality product.

**TWST: Given that scenario, what is that doing to pricing?**

Mr. Connolly: It has made us more accountable -- we have to work smarter to stay in business. Price has probably come down across the board -- especially from the Internet bubble when everything was so inflated-- but I think things are pretty competitive at this point and stable. For us, we justify our prices in the value we add and the quality of our work.

**TWST: You said that you are seeing a turnaround in advertising spending and marketing spending. Do you get a sense if this is going to continue for a while?**

Mr. Connolly: Yes. Everyone is more accountable for their business and after all the contraction there has been a general realization that to generate new business you need tools -- to talk about yourself, to sell yourself and your products. So, I do see people continuing down this path, realizing the value of fresh marketing tools so you are not lost in the very competitive marketplace.

**TWST: How many clients do you have at a given time, and what are the opportunities that lie ahead for you?**

Ms. Marks: About five to eight active clients at any given time. We see big opportunities in the branding arena. Ultimately it's a differentiator, a company's brand is an intangible asset that must be tended to. Companies of all shapes and sizes are looking for any competitive advantage they can get, investing in their brand and their perception in the marketplace has proven time and again to have valuable return. So, more and more we see clients wanting holistic packages looking at how they are portrayed throughout the marketplace, evaluating vehicles from the Website to marketing brochures to how their logo and stationery are produced.

**TWST: Is your company profitable and do you reveal your revenue source - -revenues, etcetera?**

Ms. Marks: Yes, we are profitable, but we are private and we don't reveal any financial information.

**TWST: How long has your company been around for?**

Ms. Marks: Five years.

**TWST: The -- what do you see the most, besides the economy, what do you think is your biggest challenge as you look ahead?**

Ms. Marks: Well, for any small business, a big challenge is always in finding new clients and growing smartly.

**TWST: How big is the staff at your company and could you share with us the expertise of some of the key members of the management team?**

Ms. Marks: Well, this is a very small company. We are eight people in total. There are three principals. All three of us have a similar background. We were design directors at a company specializing in annual reports. We came together to form Ideas On Purpose after we worked together for almost 10 years. So, we bring a very deep design and communications background with us, as well as experience working with the highest levels of major corporations. The people who work with us are designers, technical support and production support. We partner, as necessary, with other experts -- such as writers and technology specialists, depending on the project. And again, that's part of our strategic advantage -- keeping overhead low and keeping a streamlined staff -- we are staffing projects appropriately and remaining competitive price-wise.

**TWST: Give us your vision then for your company. Where do you see it realistically two three years down the road?**

Mr. Connolly: We would like to see growth in both revenue and scale. But the growth must be planned and smart because we won't succeed if we lose the boutique quality we offer our clients, it is one of our key differentiators. And, we want to maintain and build our client relationships because we believe relationships with decision makers yields the best quality work, and that has been our key to success. We don't want to lose sight of that.

**TWST: Is the relationship a key marketing tool for a company such as yours?**

Mr. Connolly: It's certainly number one.

**TWST: And do your clients give you repeat business on a regular basis?**

Mr. Connolly: Yes, they do. And referral business as well.

**TWST: So on a given year, how many new clients do you actually have?**

Mr. Connolly: Five to six new clients, in addition to repeat business.

**TWST: Thank you**

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