

MAD MEN BEHIND THE IRON CURTAIN

The advertising industry is hurtling forward into new frontiers, but many of the lessons learned in times past are still relevant today, writes William Leach.

Imagine a world where you had to build a telephone exchange just to be able to phone your client and you sent messages (and contact reports) via a fleet of taxis.

New frontiers are amazing places for the brave. The opportunity to learn is exponential in rapidly changing environments. That's why, for the fearless, today is such an exciting time to be in this industry.

As we look upon the new frontiers facing us, it is interesting to reflect on frontiers of the past and the lessons learned.

This is the story of Saatchi & Saatchi in Hungary.

The year was 1990. *Bye Bye Szasa*, Hungary's number one song, sung by punk female duo Pa Do Do, belted out over the radio as the last of the Russian tanks withdrew from Budapest.

Saatchi & Saatchi was the first fully-owned "Western" agency to launch behind the former "Iron Curtain" after the fall of the Berlin Wall and I was there, six weeks after Hungary's first free elections, as its first managing director.

We started the agency in the attic of a local's house. We took the doors off the two attic rooms and perched them on milk crates to make two desks, hired a Hungarian-speaking art director from New York as our creative director and away we went.

We had P&G and British Airways as foundation clients. They billed about \$500,000 (not income, billing!) and we had a former intelligence officer from the Austrian army, our New York art director, a six-foot Amazon, multilingual office manager and a phone.

The phone was significant. At that time there were few, if any, offices available with a phone. If you saw a phone in an office for rent, it was rare that it had ever or would ever be connected! Formerly, communists only wanted phones in the hands of anarchists (so they could monitor conversations) so the infrastructure was virtually non-existent (mobile phones hadn't been invented either!).

We had a phone. And as we grew, that phone had to serve for all calls and as a fax line for 16 of us.



William Leach in Budapest, Hungary, in 1990.

When we grew further and moved to a purpose-built apartment block that was mysteriously converted for business use, we overcame the phone issue by bribing the government-owned telecommunications company to build us a telephone exchange - which we paid for.

Up until then we had to rely on the written word (there was no email, globally, at that time - that's a weird concept in itself). We had a fleet of taxis waiting outside our building and if we wanted to get an urgent message to a client, we simply wrote it down and had a taxi driver deliver it.

We worked amazingly hard, often pulling 100-hour weeks, fuelled by the desire to succeed and vodka and Red Bull. A Dunkirk spirit and regular parties ensured we maintained an amazing culture, and impromptu meetings would occur wherever we met our clients - at pubs and clubs as well as conventional meeting rooms.

Many a client opportunity was sketched out on beer mats or napkins past midnight in smoky bars. If the idea still looked good in the sober light of morning, it probably was.

One night about 8.30pm there was

a ring on the bell and I opened the door to a guy who said "I'm from Mars and I've been told you can help me".

That didn't seem a strange request - such were the times. Turns out he was actually from the confectionary and pet food company and had had an ad rejected by the TV stations because his agency (in London) had recorded a voice-over mispronouncing the word "dog".

We fixed it for him that night while he engaged in conversation in his own language (not Martian as it turned out, but German) with the Amazon, calling in favours and pulling voice and production talent out of bed - and we won a new client. Mars moved all their business into our agency and we opened BSB Bates Budapest on the back of that win.

Mars' experience with the TV companies wasn't unusual. Such was the poor history of advertising agencies in Hungary that production companies often took on the role of creative fixers.

In fact, we would often get artwork back from production facilities where they had "kindly" re-designed, coloured or re-invented

the client's logo for us because they felt it didn't look too good!

To "boldly go" to new frontiers you want a great team with you. If we think we have a talent drought today, imagine recruiting in a market where the concept of profit was barely understood, let alone the complexities of marketing.

Also, the West had done such a great propaganda job to the Hungarians that they had a culture of entitlement that would make today's Gen Y look generous. If I had a dollar for every time anyone said "when do I get my Mercedes?"

Our hiring policy was to hire anyone who looked or sounded interesting, was under 30 and spoke at least three languages, which most educated Hungarians did. We figured we could teach them advertising while they taught us everything else we needed to know about our local market.

The West couldn't afford for the emerging markets to fail; reverting to the Cold War wasn't an option. So companies threw money at Hungary, seen as the most progressive of former communist countries. Clients took risks, experimented, and were prepared to fail.

We did the same - and we thrived. In just two years, we grew from one office with \$500,000 billings to three offices (Saatchi & Saatchi, Bates and Zenith) with \$38 million billings - and our own telephone exchange and production facilities.

What are the lessons then?

- Embrace the challenges of new frontiers.
- Say yes to everything.
- Make partners of your clients and face the future hand-in-hand.
- Take measured risks, experiment and have fun.
- Hire people from interesting backgrounds, who know stuff you don't and can teach you as you educate them.
- Follow the money - you all know where that's going at the moment.
- Work hard and throw great parties.

William Leach is owner of The Leach Partnership and former director of Saatchi & Saatchi, Europe.