

Jupiter Cape Town's year for living dangerously

By  Herman Manson: @marklives

29 Mar 2012

At the end of last year, the bad news just kept coming for [The Jupiter Drawing Room \(Cape Town\)](#). At the start of December 2011, the agency was informed that a two-month termination clause had kicked in on its biggest account - that of [Woolworths](#) - which it had held for five years.



No lengthy transition period, just boom, bang, done. It lost 30% of its revenue in one swoop and, ad agencies being resource-based businesses, lost 29 people out of its 150-head staff count. Twenty staffers took voluntary retrenchments and nine contractors saw their services ended.

Worse, the agency didn't see it coming, insists MD [Claire Cobbledick](#), which means the client had been careful not to let anything slip. This was the really humiliating part of the whole affair - to be blindsided by your biggest client. And just as she thought the agency had gained its mojo, says Cobbledick, who will be holding her second child by this time next week.

Cobbledick visited Woolworths HQ for the first time, a month after the contract expired, at the start of February and, where once she had walked past boarded-up offices, she now walked past Woolworth's new fully fledged in-house studio.

Hard to see

It was hard to see, Cobbledick admits. "Even going back in my mind and recognising some signals, I still cannot see how we could have pieced together what was really going on," she says.

The change was driven, Cobbledick suspects, by Woolworth's CEO [Ian Moir](#), who did not have a close relationship with the Jupiter team. Showing him a full-frontal male nude as part of the Jupiter portfolio from a Sissy Boy campaign lead to an awkward moment, she recalls, and the relationship never really took off post-penis.

Cobbledick remains sceptical that the move away from an agency will work out cheaper for Woolworths in the longer run, and warns that the proximity to the business could affect the creative output, as well as actual spend, possibly opening up a

gap for rivals.

The agency had been called in on Tuesday, 29 November 2011, to hear the news, which Woolworths had intended to announce in-house on the same day, says Cobbledick. Jupiter begged off a day to inform its own staff on the 30th. [News broke in the media 1 December](#).

Handle several issues at once

Cobbledick and her management team had to handle several issues at once - the hard business reality of crunching the numbers, figuring out the impact on the business, the retrenchments, benchmarking ratios etc. Then there was rebuilding confidence in the agency both internally, in the industry, and with clients, all the while dealing with the raw emotion of large numbers of staff facing financial insecurity just before the Christmas break.

In a double-body blow, [news](#) came that The Jupiter Drawing Room (Johannesburg), which runs as a completely independent agency to Jupiter in Cape Town, had lost the [Edcon business](#), and faced retrenching 80 staffers. While the two businesses operate separately from one another, the fact that they share a name meant industry perception on the stability of the individual businesses further declined.

Although the announcement on the loss of Edcon had no effect on Jupiter in Cape Town, "the timing was particularly shitty," admits Cobbledick.

All the retrenchments were concluded within two months after the news broke. In fact, affected staff had been informed of their employment status by 2 December. The impact of these events is still being felt in the business, Cobbledick admits, with internal job security remaining an issue of concern for staff.

Open and honest with staff

With staff being the key contact point between any business and its clients, as well as with the wider industry, it's an issue that Jupiter is consistently attempting to address by being open and honest with staff about the state of the business. Which Cobbledick insists is in the black, by the way.

Instead of trying to sweep the business reality under the carpet, the agency offered discounted "retrenchee prices" at its Christmas faire and a "Woolies wake" on the last day of handling the account, at which it celebrated the work done on the brand over the past few years.

Regular Monday all staff meetings aim to keep staff in the loop and allow for question-and-feedback sessions, says Cobbledick.

Cobbledick says intimacy with the agency ecosystem is essential to get a handle on the true state of the agency and its employees. So, for example, when last month four employees resigned, she could move quickly to squash rumours of "mass resignations" at Jupiter. Managing perceptions and tackling them head-on with a truthful account is part of the crisis management strategy at Jupiter.

Substantial and future-focused 18th birthday celebrations

At the same time as not allowing rumours to gain traction, the agency is also looking at how it rewards its creative talent in a bid to boost confidence. Its 18th birthday celebrations were substantial and future-focused, with the staff who'd worked on the Woolies account having largely left at that stage.

The need for new appointments, especially at a senior level, is explained to staff to ensure everybody knows and appreciates the value each individual adds to the agency. A number of new appointments are in the pipeline, according to Cobbledick, who says the agency will be tactful when publishing news on the final appointments, and that interest in careers

at Jupiter remains high.

Bonuses will be limited since it has mostly been tied to growth; even so, key people will be rewarded in a bid to retain them, and some bonuses will be banked for next year.

The impact of the loss of the account and the retrenchments that followed will stay with the agency for at least another six months, says Cobbledick, especially in a tough economic environment that have ensured difficult trading conditions over the past two years. This year will stay tough and, overall, the loss of Woolworths has been a hard brake on the forward momentum of the agency.

Heartened by industry response

Cobbledick says she was reassured and heartened by the industry response to the agency's loss of the account. For a cynical industry, it tended to be supportive and positive. In any case - the only way Jupiter can really regain its stature with the broader industry is to keep on doing good work and winning business, she says.

Trying to see the upside, Cobbledick says the loss of the Woolworths business also presents the agency with an opportunity, and will hopefully allow it to more liberty and freedom in its offering and in how the business is managed. "It's our year for living dangerously," says Cobbledick. She hopes the result will reinvigorate the agency.

Jupiter Cape Town will also keep up with its diversification strategy and is expanding its offering in digital, design and PR.

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