

## Y&R to restructure, refuses comment on Lamb resignation

Following the recent surprise announcement that [Fraser Lamb](#) had resigned as group CEO of Y&R, a wall of silence around the resignation seems to have been erected around the company by its management.

 By Herman Manson: [@marklives](#) 22 Nov 2010



Yossi Schwartz, chairman of Young & Rubicam Brands SA, declined to comment on Lamb's resignation, saying it was a private decision he wished to respect. Schwartz is the only spokesperson within the company allowed to engage with the media on the matter of Lamb's resignation.

### Would not be drawn

Schwartz would not be drawn on industry [speculation](#) and [comments](#) on Bizcommunity - a considerable number of which appear to originate from within Y&R - that the full story around Lamb's resignation is yet to emerge. He rejected the suggestion that the comments posted on Biz's forum signified significant division within the agency.

The WPP group, of which Y&R forms part, also declined to comment on Lamb's resignation. Feona McEwan, group communications director at WPP (London), says the group is "aware of the situation, but it is not appropriate for WPP, the parent company, to comment".

While Y&R and WPP decline to be drawn on Lamb's resignation, Jonathan Ackerman, until recently marketing director at Pick n Pay Retailers (he recently changed portfolios to become customer director as well as executive director of Pick n Pay Stores Ltd), expressed his support for Lamb as well as his unhappiness at Lamb's departure. According to Ackerman, he remains very upset that Lamb is gone. Pick n Pay is Y&R's largest single client.

### Internal business matter

Ackerman's successor at Pick n Pay, Bronwen Rohland, says she retains her faith in the agency and views Lamb's resignation as an internal business matter. For her, the intellectual property (IP) built up by Y&R with the Pick n Pay brand remains intact through the larger Y&R team. Rohland insists the group's relationship with the agency remains unchanged.

Schwartz also announced that the Y&R group of companies, which includes Y&R SA, Wunderman Johannesburg, aquaonline and BaseTwo, will be restructured into only two units by January 2011.

BaseTwo will fold in under Y&R Advertising while aquaonline and Wunderman Johannesburg will be combined into a separate unit. Y&R Advertising will bring the [VML brand](#) to the country; VML is a full-service marketing communications agency owned by WPP and is considered one of the top digital agencies in the

US and in 2009 Y&R announced that it was partnering with VML to be its global digital partner.

### **Reorganisation to avoid conflict of interest**

Schwartz says the reorganisation is necessary to avoid conflict of interest as the group chases new business while also beefing up its digital abilities. The group employs around 200 staffers at Y&R, 130 at aquaonline, 25 at Wunderman and 17 at BaseTwo. It lost about 15 staff members three months ago due to retrenchments but Schwartz does not expect the restructuring process to result in more job losses.

Wunderman, which sells itself as "the original direct marketing agency," has plenty of great IP but lacked sufficient skills to successfully implement it across digital platforms, according to Schwartz, hence the merger with aquaonline. The combined grouping will be headed by the current CEO of aquaonline, Brent Shahim. The group will not share offices with Y&R Advertising.

Y&R Advertising will combine with BaseTwo in an effort to strengthen its digital media credentials and then introduce the VML@Y&R brand into the country. The title of Y&R group CEO, recently vacated by Lamb, will fall away during the restructuring process and a new CEO for Y&R Advertising will be appointed by January according to Schwartz.

### **Operate as per normal**

The Durban and Cape Town offices will continue to operate as per normal, says Schwartz in response to recent speculation that one or both offices had to justify their existence at group level. The Cape Town office is expected to be beefed up with a digital team by March 2011.

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