



Chicago Shop Reaches The Quarter-Mark.

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The San José Group last week marked its 25th anniversary. The Chicago-based independent agency that opened its doors with \$247 in a bank account, today reports billings of \$55 million. And it's still squarely focused on a rapidly changing market.

"All I knew then was that the Hispanic market was growing," recalls CEO George San José. "I never stopped to think what it would grow to." Using data from the 1970 Census, San José would tell potential clients they needed to reach out to 7.5 million Latinos - plus another 3.5 million undocumented residents - living in the U.S.

He recalls the one topic that would get raised at every presentation - what language must they be reached in since Mexicans, Cubans and Puerto Ricans all have a different dialect. San José would then launch into an extensive explanation about how the different ethnic groups all spoke the same Spanish. "Some clients thought they needed three commercials - one in each language," he quips. "Then Sábado Gigante debuted and vindicated me."

When San José Associates opened its doors in 1981, there was but a desk and a chair in the office. Even then the Hispanic agency scene was crowded - already 12 shops were established in Chicago. The clients looking to connect with Latinos were but a handful - Colgate, which promoted five brands with buys in roughly 20 markets; Libby's Nectars, Amoco, Morton Salt, Vienna Sausages and Banco Popular. "The efforts were more spot market," says San José.

Those were the days 16 millimeter slide shows filmed in Puerto Rico, where people "could understand Spanish." A commercial was basically a series of slides - showing a particular product, store or location - that were "flipped" while a voiceover offered a description and the message, San José explains. He recalls that Breyer's was one of the first to shoot in 35 millimeter film. "The television stations, which used two-inch tape, used to help you film commercials," he adds.

By contrast, Hispanic-targeted advertising today is more sophisticated, San José notes. "We have come a long way, but we're still not the same as the general market," he adds. "We still get three cents of every dollar." Will that gap narrow? "Inevitably," forecasts San José. "It has to." Today, the San José Group counts American Trans Air, Illinois Tourism, Knouse Foods, Grupo Herdez/Hormel, Exelon and Abbott Labs among its clients.

Despite the advances made in Hispanic advertising and marketing, the industry still faces challenges, particularly on the measurement side - for ratings as well as sales. "The day we have an accurate measurement system, that's the day our market will explode," San José insists. "Clients will be able to say I sold so many cases against that marketing program, ."

He points out that the documentation of sales will prove to clients that they need to allocate funds directly to Hispanic marketing. "It will help them realize that the marketplace has changed and includes a cultural segment that speaks a different language," says San José. "Clients can then address that market on an ethnic and cultural composition."

Looking to establish a national footprint, in 1991 San José launched the San Jose Network, consortium of advertising agencies and marketing communications firms serving the U.S. Hispanic market, the English-speaking Caribbean and Latin America. In November, Miami-based Hispanic agency Firefly joined the network. Today, the San José Network has 25 affiliated agencies. Two Chicago-based associates handle work for U.S. agencies.

The focus now for San José is retaining the agency's independence especially with increased attention and acquisitions from international conglomerates. "Those guys can offer sophistication, but we can offer a solid foundation to grow from," says San José.

For the industry as a whole, San José forecasts a "large boom," one that will advance through the major metropolitan areas as the retail base begins to address Hispanic consumers directly. "Once the retail structure kicks in, that will catapult the growth," says San José.

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