

Press release **12/05/12**

PUBLICIS GROUPE AND IBM OUTLINE AGGRESSIVE PLAN TO PURSUE GLOBAL COMMERCE MARKET OPPORTUNITY

COMMERCE CLIENT WORK GROWS BY 100% IN 2012

Jean-Yves Naouri, Chief Operating Officer of Publicis Groupe and Executive Chairman of **Publicis Worldwide** said, "A key reason for Publicis Groupe's acquisition of Rosetta was to continue to build technology driven differentiation in the market. Our expanded partnership is a clear statement of our ongoing confidence in Rosetta's differentiated value proposition centered on personalization and commerce."

Publicis Groupe [EURONEXT Paris: FR0000130577] and IBM today outlined an aggressive global go-to-market plan to pursue the multibillion global market opportunity for business-to-business and business-to-consumer eCommerce.

Working together, the companies are uniquely positioned to drive the future of eCommerce by redefining the role of the transaction in the brand experience. The partnership combines Publicis Groupe's deep experience in consumer insights, technology and building a broad eCommerce ecosystem around transactions with IBM's technology, expertise and business process innovation to serve the needs of today's Chief Marketing Officers (CMOs) and Chief Information Officers (CIOs) who want to align their organizations and purchase decisions around integrated content and commerce.

Publicis Groupe's Rosetta unit plans a global expansion to capture a larger share of the growing demand for Commerce-related technology and services. Commerce-related revenues Rosetta has derived from the 10+ year IBM/Rosetta relationship have grown 100% in 2012 alone and are expected to triple over the next three years.

The go-to-market partnership enables Publicis Groupe to immediately capitalize on an urgent need in the marketplace for a new type of agency partner – a highly specialized commerce agency – that is able to connect CMOs and CIOs of today's global brands, facilitated by technology to build and optimize the commerce and content ecosystem. The partnership serves a rapidly expanding, global client list that includes: Aldo (footware retail/Canada), Cencosud (grocery retail/Chile), Dorel (consumer Products/US), Follett (educational services/US), Genco (distribution/US),

hhgregg (electronics retail/US), Holt-Renfrew (luxury retail/Canada), Luxottica (eyeware retail/Italy), Newell-Rubbermaid (consumer products/US), Sigma Pharma (healthcare/Australia) and T-Mobile (telecommunications/US).

Over the next three years, Publicis Groupe plans to establish four global Commerce hubs, beginning with an expansion of its current U.S. hub on the West Coast, and then launch new centers in Western Europe, China and Latin America. Each hub will consist of a team of professionals skilled in the IBM Smarter Commerce offering portfolio. The Publicis Rosetta team will work in concert with a local IBM team and local agency professionals to deliver software and services with IBM Smarter Commerce related offerings for clients.

Publicis Groupe breaks down the nearly \$600MM global market opportunity by 2015 as: approximately \$390MM in North America; \$130MM in Western Europe (France, UK and Germany); \$30MM in China; and \$30MM Latin America (primarily Chile and Brazil).

As part of the expanded focus on the global market, Publicis Groupe will continue to deliver commerce solutions for leading brands at a consistent and global scale while integrating the following critical components: a full life-cycle strategy powered by customer-centric market intelligence; world-class multi-channel customer experience and creative; and enterprise-level tech strategy, execution and servicing; and continuous product-based innovation.

IBM's Smarter Commerce initiative, launched in March 2011 is an approach designed to accelerate key business processes covering the marketing, sales, commerce, supply chain and customer service functions of business clients to help meet the needs of the increasingly demanding digital customer. The partnership will offer IBM software that supports Web analytics, digital marketing and eCommerce, including product lines such as IBM Coremetrics, Unica, DemandTec, Tealeaf, ILOG, Cognos and SPSS, among others.

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Rosetta President, Tom Adamski continued, "In the past, marketing was a distinct activity that led consumers through the various stages of the 'funnel,' culminating in the transaction. That's no longer the case. The transaction is now at the very center of the brand experience and the beginning of a potentially deep and long-lasting relationship between the brand and the consumer that technology has made possible for marketers to achieve at scale. Expanding our partnership with IBM, we can help clients realize the full potential."

Publicis Groupe projects the expansion will generate commerce-related revenues for Rosetta alone approaching \$100MM by 2013, and expects to grow rapidly to total commerce-related revenue of over \$300MM by 2015.

About Publicis Groupe

Publicis Groupe [Euronext Paris FR0000130577, part of the CAC 40 index] is the third largest communications group in the world, offering the full range of services and skills: digital (Digitas, Razorfish, Rosetta, VivaKi), traditional advertising (BBH, Leo Burnett, Publicis Worldwide, Saatchi & Saatchi), public affairs, corporate communications and events (MSLGROUP), media buying and strategy (Starcom MediaVest Group and ZenithOptimedia) and specialized communications with PHCG (Publicis Healthcare Communications Group). Present in 104 countries, the Groupe employs 56,000 professionals.

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About Rosetta

Rosetta is a consulting-centered interactive agency engineered to transform marketing for the connected world. Our mission is to be a catalyst for growth, driving material business impact by translating deep consumer insights into personally relevant brand experiences across touch points and over time. Our unique capabilities and the way we activate them have enabled our market leadership position, operating as an independent brand in the Publicis Groupe of global agencies.

More information on Smarter Commerce can be found at: www.ibm.com/smarterplanet/us/en/smarter_commerce/overview/

To join the conversation, follow hashtag #smartercommerce on Twitter

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