

J Walter Thompson Company Acquires Digital Branding Specialists, Tonic 360, in the United States
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WPP announces that its wholly-owned company, J Walter Thompson Company ("JWT"), the worldwide advertising agency, has acquired Tonic 360, a US-based full service advertising agency specialising in digital branding.

Both companies have already been working in successful partnership, recently winning the entire Sun Microsystems advertising account, worth \$100 million. San Francisco-based Tonic 360 serves as Sun's digital branding agency-of-record, while JWT New York creates advertising for iPlanet, a Sun/Netscape alliance that provides e-commerce software solutions.

Tonic 360, formed in 1997, provides a full complement of integrated marketing services including advertising, direct marketing and interactive communications. It has become a leader in forging relationships between web-based and web-centric businesses and today's digital consumers.

Under the leadership of its founders who will continue to head the management team, Tonic 360 has grown fast and ranks in the top 10 agencies in San Francisco, with 85 people and billings of \$150 million. Clients include AvantGo; FairAir; Go.com; HomeGain; iBeam Broadcasting; Macy's West; Visto.com and TechTV as well as Sun Microsystems.

JWT CEO Chris Jones says, "Over the past three years, JWT has re-engineered itself in order to stake out a niche as the best partner for large established brands transitioning into the digital space. Tonic 360's depth of marketing expertise, second to none, will give us another significant edge in this arena."

Bob Jeffrey, President of JWT New York added, "Tonic 360's deep understanding of the digital consumer expands and invigorates our service offering to current clients. They will bring an entrepreneurial passion for this new world that will make the agency a great training ground to immerse our people in digital brand marketing."

The acquisition of Tonic 360 strengthens JWT's digital branding capabilities and continues WPP's strategy of developing its new media interests both through the strengthening of established businesses and directly through new ventures.