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Several Agencies Sign Agreements to Forestall Diversity Hearings

Industry Execs Could Avoid Testifying During Advertising Week

By [Matthew Creamer](#) Published: September 06, 2006

NEW YORK (AdAge.com) -- Several ad agencies under scrutiny for their lackluster diversity-hiring practices have pledged to ramp up their minority recruiting, signing agreements designed to forestall potentially embarrassing public hearings planned for later this month.

Multiple executives familiar with agreements reached with the New York City Human Rights Commission said they don't entail quotas, fines or any especially stiff oversight, though the commission is expected to review the matter after some time. Agencies owned by WPP Group, parent of Ogilvy & Mather and Grey, are said to have already signed, and Interpublic Group of Cos., Publicis Groupe and Omnicom Group are all at varying stages of negotiations with the commission, which has been aggressively pursuing the issue.

15 agencies

Each one of the 15 agencies initially subpoenaed by the commission is expected to sign on to the agreements, the executives said.

The pacts, these executives said, will take the agencies' executives off the hook for hearings set to coincide with Advertising Week in New York, the annual industry celebration that begins Sept. 25. "By reaching an understanding, the idea is they'd no longer be called to testify," said one.

Commission comment

A representative for the commission denied that any resolution has been reached. "I don't know where you're hearing it from, but you're hearing it from me that [we're] moving forward with the hearings on [Sept.] 25," said Betsy Herzog, a spokeswoman for the New York Human Rights City Commission.

The agencies all referred calls to the commission or declined to comment.

Complaints about the ad industry's historical lack of diversity has long besmirched the industry, despite the fact that most agencies have put in place programs designed to help them foster more diverse workplaces. Short of taking legal action, it was never clear exactly what the commission could achieve in terms of pushing the agencies on the diversity issue, though by scheduling the hearings during Advertising Week -- a bit of PR moxie worthy of Madison Ave. -- it promised to move the issue onto a larger stage.

Attention from Washington

The issue is likely to be addressed at a forum on minority advertising at the Congressional Black Caucus' annual meeting in Washington tomorrow. The discussion features Sen. John Kerry, D-Mass.; U.S. Rep. Carolyn Cheeks Kilpatrick, D-Mich.; and some top New York City officials involved in the dispute.

Mr. Kerry, the ranking Democrat on the Senate Small Business Committee, has been especially concerned that the government isn't adequately supporting minority agencies and minority media in the government's own media buying.

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Willow Duttge and Ira Teinowitz contributed to this report.

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