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LatinWorks Is Ad Age's Multicultural Agency of the Year

Austin Shop Grew 13% in 2009 and Pulled in Work From Burger King, Starburst

By [Laurel Wentz](#) Published: [January 25, 2010](#)

NEW YORK (AdAge.com) – In LatinWorks' Starburst commercial, a llama faces a young man as they both chew contentedly, then with a hand and a hoof feed each other more Starburst candies, selling the message of an intensely juicy treat that people – and their llamas – love to share.

"I think we used the word bizarre," said Carole Walker, VP-integrated marketing communications at Mars. "It's really endearing."

Though created by Mars' U.S. Hispanic agency, the spot crossed over from the Hispanic market to general-market TV and into the popular culture in 2009, as people posted their own spoofs on YouTube and tweeted "I wanna eat Starburst with a llama." Mattel's American Girls doll line gave one of its dolls, Chrissa, a white baby llama pet named Starburst. And after a double-digit decline in Hispanic sales, down 27.7% in 2008, Starburst's Hispanic sales shot up 14.8% within three months of LatinWorks' campaign launching.

"That opened up not only larger budgets on current pieces of business, but also adding new brands," Ms. Walker said. In addition to new Starburst ads breaking in March 2010, LatinWorks is readying work for Twix, M&M's and Snickers.

One of the agency's hallmarks is work that is highly creative and effective in the Hispanic market, but eschews stereotypes and transcends ethnicity. Despite the disastrous 2009 economy, LatinWorks grew revenue by 13% and came up with strategic solutions to drive business for its clients' brands, earning the accolade of Ad Age's Multicultural Agency of the Year. While other shops did layoffs, LatinWorks' staff grew by 15% to 106 people. In a slow year for new business, the agency won pitches for Bacardi and Burger King, now its biggest client, and took home the U.S. Hispanic market's only trophy from the Cannes Lions International Advertising festival. Unsurprisingly, the prize went to the llama.

Beer vetsLatinWorks was started by two Anheuser-Busch marketing veterans, Manny Flores, a fourth-generation Texan who was Anheuser-Busch's VP-marketing development, and Mexican-born Alejandro Ruelas, A-B's director-ethnic marketing. They ended up creating the model for their own Hispanic shop when their boss, August Busch, sent them to explain A-B's success with Hispanics to other marketers who had asked about it. They opened LatinWorks in 1998 with Sergio Alcocer, now the agency's president and chief creative officer. (In 2006, they sold a 49% stake to Omnicom Group.) With their background, Miller was soon the biggest client, accounting for almost half of revenues. The shop resigned the business amid leadership changes and a sense that the client was talking down to Hispanics.

That opened the door for Anheuser-Busch, where LatinWorks became one of three U.S Hispanic shops and competed for general market assignments, scoring three Super Bowl slots for Bud Light spots. After InBev bought A-B, the only Hispanic agency left standing was LatinWorks.

"They have a very open, collaborative creative process," said Dave Peacock, president of Anheuser-Busch, Inc. "We've learned a lot from them about what motivates the Latino consumer."

In their battle against the status quo in the Hispanic market the beer guys who had no agency experience built somewhat of a contrarian agency, based in Austin, a city where no one opens a Hispanic shop. But the Texas town is affordable, has a superb quality of life for creative people, and brims with talent. The University of Texas at Austin graduates more Hispanic students in advertising than any other U.S. school, Mr. Ruelas said.

LatinWorks has a deep creative bench, led by third partner Mr. Alcocer, who completed an executive MBA last year that included a team project with McKinsey Europe to analyze what makes ads both award-winning and effective.

"Sergio, Sergio, Sergio," said Russell Weiner, exec VP and chief marketing officer of another LatinWorks client, Domino's Pizza. "I'm such a Sergio fan. He's a big part of the special sauce."

Winning another fast food account, Burger King, in early 2009 was a "blessing" because it got a tough year off to a good start, and let the agency hire people, Mr. Alcocer said. Burger King's Hispanic traffic was falling, and LatinWorks quickly realized the company promoted Whoppers to the general market as "flame-broiled," but not to the Hispanic market, where flame broiling, or "a la parrilla" is exactly how Latinos like food prepared. LatinWorks did ads portraying a strange world where people did their cookouts in huge outdoor frying pans. In Los Angeles, Burger King's biggest Hispanic market, traffic had dipped by 10% but went back up to previous levels after the flame-broiling campaign targeting Spanish-dominant Hispanics.

In 2010 Mr. Flores estimates LatinWorks, which reliably posts double-digit revenue increases every year, will grow 10% to 15%.