

Publicis pays R\$200 million for 49% of Talent

After two and a half months of negotiations, Publicis group announced today the acquisition of 49% of Brazilian publicity agency Talent. The operation reached a value close to R\$200 million. When contacted yesterday, Talent did not comment on the subject. Ranked 16th among the largest agencies in Brazil in 2009, the company had a turnover last year of a bit more than R\$310 million in media and was one of the few large companies in the sector that is 100% Brazilian.

The company will continue to be controlled by businessman Julio Ribeiro, the founder of the company with 85% of its shares, according to details of the transaction released to Valor on 24 August. However, the possibility remains for Ribeiro to remove himself from the day to day operation in the coming years and focuses on strategic issues for the group. The vice-presidents of Talent Jose Eustachio e Antonio Lino, current partners of Julio Ribeiro, continue occupying the same functions. The negotiations were mediated in Brazil by Estáter Gestao e Financas, belonging to partner Pércio de Souza.

With regards to the possibility of Leo Burnett taking part in the agreement, and joining Talent's operations, the idea was discussed by Publicis group in France, but was discarded in the end. This is because it could generate conflicts with potential future accounts between the firms.

In addition to Publicis, WPP group was interested in Talent, but gave up on the transaction weeks ago as it saw the price offered by Publicis as too high.

Free translation from the original article as posted on the Portuguese section of our website.

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http://estater.com.br/news/valor%20-%20sp%2006.10.10_b4.pdf