

Atlanta: The star of the Southeast

Focus

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Atlanta's booming downtown, well-rounded media scene, and shifting demographics make it an interesting PR market.

Considered to be the capital of the South, Atlanta is a world-class city with sunny weather, extensive entertainment and cultural options, and a sophisticated media and political history. The city continues to be a magnet for the best and the brightest of the Southeast, and its downtown is booming; one professional says the sight of all the construction cranes dotting the skyline outside his office window makes the city "look like Shanghai."

Agency life

Because of its status as the beacon for business in a large portion of the country, Atlanta attracts a strong mix of multinational agencies and local independents, frequently competing for the largest clients while seeking to forge their own niche in the market.

Growth is strong across the board for top agencies. Edelman's Atlanta office saw a 24% revenue increase over the past year, led by a jump of at least 50% in the technology/telecom sector, notes GM Claudia Patton. Several sectors derive their strength from the city's own evolving makeup: Healthcare and pharma is driven by the presence of the Centers for Disease Control and Prevention, and real estate is keyed to the resurgence of Atlanta's downtown residential market, which is once again becoming attractive enough to pull residents away from the suburbs.

Edelman is also targeting the region's shifting demographics with a new "boomer" practice, aimed at helping clients reach the soon-to-be-retired baby boomer set by keying in closely on the "boomer mindset," Patton says. It's one example of a large agency tailoring its offering to maintain a foothold against the area independents with strong ties across Atlanta society.

One of the most prominent of those independents is Jackson Spalding, a 12-year-old firm that is one of the Southeast's largest. "The economy in Atlanta is so resilient and remains strong because of its diversity of business sectors," says Glen Jackson, the firm's cofounder. "We're upbeat about Atlanta's continued growth, even in the midst of trying times."

The city's urban renewal not only buoys agencies' real-estate practices (which face more severe challenges in other cities), but also makes Atlanta more attractive to young professionals, who can live closer to their jobs. "I don't think the dip's been as dramatic as in other markets," Jackson says. For a firm like his, which must compete against the entire range of agencies for both clients and talent, it is a strong selling point.

The city's most important long-term cultural trend is the importance of its multicultural community, which rests on a legacy anchored by the exploits of Martin Luther King Jr. and the presence of African-American colleges like Morehouse, Spelman, and Clark.

Hank Ernest, PR director for multicultural-focused firm Images USA, says business continues to grow, driven mostly by national corporations that turn to Atlanta because of its expertise in the sector, particularly in African-American marketing. Ernest says his agency is also seeing growth in Latino-targeted communications, driving a search for talent.

"The [Atlanta] demographic is changing to an urban demographic," he says. "Yes, it's multicultural, but it's this young, urban, alive [vibe]. It's sort of like the MTV generation."

Other niches are available for targeted agencies, as well. The Arketi Group, a 15-person, b-to-b, tech-focused firm, has tripled in size in the past two years. Principal Mike Neumeier says the Atlanta tech market is booming, with software and business technology companies taking advantage of the city's quality of life, abundance of universities like Georgia Tech and Emory, and supply-chain companies that locate close to large clients like UPS.

"Atlanta is a very relationship-driven market," Neumeier says. "So there's really some credence to 'owning your own backyard' with regard to PR, media relations, and thought leadership - to being recognized in the business community."

Corporate concentration

Perhaps counterintuitively, Atlanta boasts one of the highest concentrations of *Fortune* 500 companies of any US city. Consumer giants like Coca-Cola, The Home Depot, and Newell Rubbermaid share the city with UPS, Delta, and a host of financial, tech, and industrial companies.

That makes for a potent mix of corporate communications talent and a large number of businesses jockeying for primacy in community relations.

The largest Atlanta company, with nearly double the revenues of its nearest competitor, is The Home Depot, which has been in the city since its founding in 1979.

"When you combine... the sophistication of the business environment with the quality of life, you really do have a pretty strong market to draw from," says Brad Shaw, Home Depot SVP of corporate communications and external affairs. "In Atlanta, those who are new here quickly realize that that level of [community] involvement and intensity is unlike any other market."

Home Depot works with MS&L, but there are plenty of large corporate clients to go around; the assets the city offers virtually ensure continued corporate growth.

"Given the business base and the academic base, you've got a great mix of seasoned and entry-level professionals in Atlanta," says Shaw. "You also have all the major agencies... plus the *Fortune* 500 concentration. You've got a good, diverse mix to pick from."

Media

Atlanta's media market is well rounded and well developed. Its most prominent outlet is CNN, which may offer local practitioners a slight advantage in gaining national TV placements. Local television news features all the national networks, and the radio market is broad, with depth in Christian and Spanish broadcasting.

The Atlanta Journal-Constitution (AJC) remains the city's most important print outlet, despite recent cutbacks. *The Atlanta Business-Chronicle* offers the most in-depth coverage of local companies. And many outlets specifically target the city's multicultural community.

"We have a core number of African-American community newspapers that have been around quite awhile," notes Ernest. And now the Latino newspapers are exploding on the scene. For example, *Mundo Hispanico* is now owned by the [AJC]."

Selected agencies

Arketi Group
Brandware PR
Edelman
Flammer Relations
Fleishman-Hillard
GCI Group
GolinHarris
Hope-Beckham
Images USA
Jackson Spalding
MS&L
Ogilvy PR
Porter Novelli
Tresco-Jones PR
Weber Shandwick

***Fortune* 1,000 companies**

Company Rev. (\$bn)

The Home Depot 90.8
UPS 47.5
Coca-Cola 24.1
Delta Air Lines 17.2
Southern 14.4
SunTrust Banks 13.3
Genuine Parts 10.5
Newell Rubbermaid 6.7
Beazer Homes USA 5.5
BlueLinx Holdings 4.9
Mirant 4.7
Superior Essex 2.9
AGL Resources 2.6
Spectrum Brands 2.6
Georgia Gulf 2.5

Source: *Fortune*