

ROSS
STORES
AGENCY
RFI

DAVIS ELEN ADVERTISING
JUNE 30, 2017



1. WHY US? (AKA “THE LETTER”)

1. WE’VE BEEN DOING RETAIL LONGER THAN YOU HAVE.

Okay, technically, you win. We were incorporated in 1959; your first store opened in 1950. But our retail roots actually date back to 1947 when the grandfather of agency Chairman and CEO Mark Davis, printing shop owner Henry Mayers, got tired of the weekly grocery circular grind. So he had an epiphany: I’ll open an ad agency!

2. CLIENT RELATIONSHIPS THAT SPAN DECADES. (AND MANY OF OUR EMPLOYEES ARE JUST AS LOYAL.)

Toyota has been with us for 40 years, McDonald’s for over 50. Each client appreciates how we are constantly adjusting to changing industry dynamics – frequently going beyond the traditional retail advertising role. For McDonald’s, we’ve helped bring fresh ideas to the table like our “Salads and More” menu, the “Angus Third Pounder” and “20-piece Chicken McNuggets.” For Toyota, as customers have moved online to begin the purchase process, we’ve implemented customized programming on buyatoyota.com (Tier 2 website) to help generate a much higher level of qualified leads directly to individual dealer sites (Tier 3). An equally vital factor in our success: key account, media, creative and production people have been with us for ten, twenty, thirty years and more. And none longer or more involved day-to-day than our senior management team.

3. RESULTS ARE OUR REWARDS.

There’s no substitute for it. Every Monday morning, we check the Toyota weekend numbers. Daily, we track McDonald’s sales transactions and average check data. This focus on results has helped our Toyota client own the dominant market share position in the most competitive automotive marketplace in the country. And our McDonald’s co-ops from the East Coast to the West are regularly among the company’s top-performing regions.

4. WE EAT, SLEEP AND BREATHE BRAND.

Immersing ourselves in our client’s brand starts with understanding who our customers are – what they want and what they need. Then, we develop a strategy that will help us touch them in a real and meaningful way. Our work for GreatCall is a prime example. Research identified key emotional drivers for reaching the aging boomer population. The breakthrough takeaway? Fear does not sell. Helping seniors maintain their independence? Bingo.

5. WE LOVE TO PUMP UP THE HOLIDAYS.

We know how to turn up the volume for those key holiday periods. We call them “spikes.” Presidents’ Day, Memorial Day, Fourth of July, etc.— these are all a critical lifeblood of our clients’ business plans. Because these time periods are when customers are expecting special offers and will be most receptive to our messaging. Each year we build these event periods into our clients’ planning calendar.

6. THERE’S FAST. AND THEN THERE’S DE FAST.

In by Monday, out by Tuesday – that’s pretty much business as usual for us. Take Toyota. Each month like clockwork, we are charged with getting the latest offers on the air immediately (if not sooner). Having already built the product “shells,” we will write the offer sections, secure client and legal approvals, record, edit and upload – all within a 24 to 48-hour window. Between General Market, Hispanic Market and the Asian Market (which includes Korean, Mandarin, Cantonese and Vietnamese versions), in a typical month we will routinely produce a total of 97 Toyota spots – 78 for TV and digital video and 19 for radio and streaming.

7. GREAT WORK DOESN’T HAVE TO BREAK THE BANK. (WE’VE BEEN HAMMERING PRODUCTION COMPANIES FOR DECADES.)

Our executive producer didn’t get the nickname “The Hammer” for nothing. We’re magicians when it comes to turning out first-tier quality work at prices that are 40 to 50% less than the standard going rates as determined by the American Association of Advertising Agencies annual report on average production costs.

8. OUR MEDIA TEAM IS FULL OF ROCK STARS.

All those lunches really do pay off – if you know what you’re talking about. And nobody can match wits with our media team. Over the years, we have developed exceptional media clout in a wide range of markets. And our media folks have the years of experience, the know-how and the long-term relationships that mean we always get the most cluck for the buck. Proof point: Leveraging our strong media relationships, we garnered more than \$20 million in free media value to support the spectacularly successful Special Olympics World Games Los Angeles 2015.

9. NAME-DROPPING ISN’T OUR THING. THEN AGAIN...

While we don’t currently have an off-price or apparel client, actually we’ve been there and done that quite a lot. We were AOR for Pic ‘N’ Save (which we re-branded as Big Lots), the Cherokee brand (“Make yourself comfortable”), Miller’s Outpost (where we ousted the two cowboys and helped move the store focus away from western wear and toward active sportswear) and Mervyn’s (for the Hispanic market). Team members have worked on relevant accounts that include Macy’s, Sears, J.C. Penney, Target, Clothetime, OP, PacSun, Franklin Mills Mall and Potomac Mills Outlets.

10. OUR TAKE ON ADVERTISING: THINK INSIDE THE BOX.

It’s easy to “blue sky” creative concepts. How fun is that? But, now, factor in the correct marketing strategy, meaningful consumer insights, mandatory inclusions (and exclusions), even legal requirements – and this is where true creativity begins. While we love awards as much as anybody (and we’ve won our share), it doesn’t really mean a thing if the cash registers don’t ring. So our mission is to deliver – first and foremost – effective, results-driven work.





2. JUST THE FACTS

A) AGENCY NAME

Davis Elen Advertising, Inc.

B) ADDRESS

865 South Figueroa Street
Suite 1200
Los Angeles, CA 90017

C) PRIMARY PHONE NUMBER

213-688-7000

D) PRIMARY NEW BUSINESS CONTACT

Debbie Zimmerman
Senior Vice President, Account Director
714-401-9395
debbiezimmerman@daviselen.com

E) AGENCY OWNERSHIP

Davis Elen is an independent, privately held agency owned by eight shareholders, all of whom are employees. Mark Davis is the Chief Executive Officer and controlling shareholder. DE has a majority interest in Castells & Asociados, a Hispanic marketing subsidiary. The company has substantial Asian marketing and African American marketing expertise along with extensive national experience.

F) FOUNDING DATE

January 5, 1959

G) U.S. OFFICE LOCATIONS

Los Angeles, CA (headquarters)
San Diego, CA
Portland, OR
Seattle, WA
Arlington, VA
New York, NY

3. WHY WE'RE DIFFERENT

A) WHAT KIND OF AGENCY ARE YOU? WHAT IS YOUR POSITIONING AND CORE EXPERTISE? WHAT DO YOU BELIEVE YOU CAN DO FOR ROSS THAT OTHER AGENCIES CANNOT?

What we can do those "other guys" can't

Never – in all our years – has a potential client more closely fit with who we are and what we do best than Ross!

CEO Mark Davis will lead a team of the agency's best: Chief Creative Officer, David Moranville; Director of Media Operations, Teriann Hughes; Account Director, Debbie Zimmerman; Chief Strategy Officer, Liz Castells; Executive Producer, Bert Kelley; and Chief Financial Officer, Terry Sullivan. Under their leadership, we will build an all-star group of experienced professionals who will do for Ross what the agency has done for industry-leading clients like Toyota and McDonald's.

DE Positioning

We live at the intersection of brand and retail. This is where we bring brand awareness and retail urgency together in equal measure to achieve the greatest ROI.

DE Core Expertise

(1) We believe in a "total market approach." Headquartered in L.A., with its ethnic majority population, we early on founded a Hispanic ad agency and subsequently expanded our expertise to both the Asian and African American markets. (2) Our integrated marketing communications approach acts as a force multiplier. With all disciplines – strategic development, advertising, product offerings, PR, social media – pulling in a unified direction, we deliver maximum communication impact for our clients – all of whom are in highly competitive industry categories. (3) Comprehensive analytic tools like machine learning and AI enable us to provide actionable insights and verifiable business-building results. (4) Through our in-house video production, editorial and CGI capabilities, we generate fast, high-quality and low-cost content creation.

B) DESCRIBE UP TO THREE OF YOUR FIRM'S PROUDEST ACHIEVEMENTS OVER THE LAST THREE YEARS. WHAT MAKES THEM SO SPECIAL?

1. We weren't just the AOR for the Special Olympics World Games 2015 – a nine-day international event featuring 7,000 athletes from 164 countries. We carried it across the finish line. Agency Chairman and CEO Mark Davis personally served on the Special Olympics Board of Directors and rallied the agency to raise funds for the Games (it had ZERO in the bank) and secure over \$20 million in donated media. Addressing both consumers and B2B targets, we developed a brand awareness campaign that helped raise funding, recruit volunteers and – perhaps most importantly – sought to change public perceptions about people with intellectual disabilities. We surpassed all business objectives with the client recognizing the 2015 Games as the most successful World Games ever. In the process, our efforts were recognized as a 2016 Effie Award Finalist.

2. We closed out 2016 on a high note – our Hispanic subsidiary, Castells & Asociados, was named the Hispanic Direct AOR for Charter Communications. We handle all national corporate and regional efforts on behalf of the Spectrum brand, from the development of strategy and creative to management and production of all offer-driven marketing and advertising. This includes TV, radio, print, OOH, direct mail, FSIs, digital videos, and network partner co-productions.

3. 2017 has turned out to be a watershed year for GreatCall, creators of the Jitterbug, the original simple senior cell phone. A client since its start-up 10 years ago when it launched with a handful of employees in a tiny apartment office, under DE's strategic guidance and a myriad of creative executions, GreatCall has grown to become the leader in providing connected health and safety for seniors. Today, GreatCall has over 1,000 employees, more than 800,000 subscribers and \$250 million in annual revenue. This incredible success resulted in GreatCall's acquisition in June by GTCR, a leading private equity firm. Recognizing the potential of the active aging market, GTCR has pledged to bring significant resources to bear to further develop products and services under the GreatCall and Jitterbug umbrella. DE enters this next chapter as the AOR for GC and GTCR, poised to meet their aggressive goal of doubling sales over the next three years.

C) HOW WOULD YOU CHARACTERIZE YOUR AGENCY'S OVERALL VIABILITY/BUSINESS HEALTH?

In a word: Excellent.

Davis Elen has a dynamic, diverse and loyal client base with relationships that far surpass industry norms. The numbers and market share we have helped achieve for our clients over some five decades buoys our faith in our future. But what makes us most enthusiastic (and proud) is seeing the passion for "The Work" that our teams bring to the tasks at hand every day. It's not as quantifiable as business results, but in our view it's every bit as important.



Spectrum



greatcall

4. BY THE NUMBERS

A) TOTAL NUMBER OF EMPLOYEES AT ALL U.S. OFFICES

185

B) TOTAL NUMBER OF EMPLOYEES AT SUBMITTING OFFICE

149

C) 2017 U.S. EST. CAPITALIZED BILLINGS / MEDIA BILLINGS

\$277MM / \$230MM

D) 2016 U.S. CAPITALIZED BILLINGS / MEDIA BILLINGS

\$269.5MM / \$224MM

E) 2015 U.S. CAPITALIZED BILLINGS / MEDIA BILLINGS

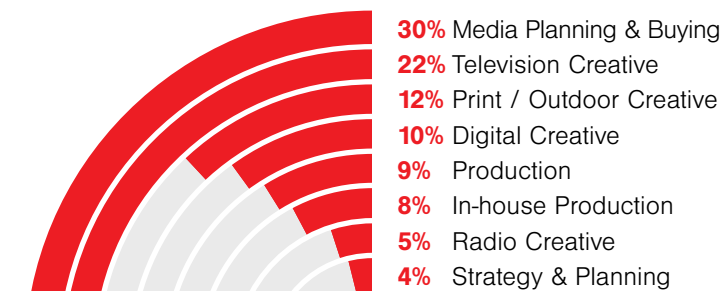
\$231MM / \$187MM

5. WHO DOES WHAT

A) PLEASE LIST FOR YOUR SUBMITTING OFFICE, ON A PERCENTAGE BASIS, FULL-TIME EMPLOYEES BY DEPARTMENT.

28%	Traditional Creative
24%	Account Service
11%	Traditional Media Planning
10%	Accounting, IT, Office Services & HR
8%	Production
7%	Traditional Media Buying
5%	Digital Creative
4%	Digital Media Planning & Buying
3%	Planning / Strategy

B) BREAK OUT, ON A PERCENTAGE BASIS, YOUR SUBMITTING OFFICE'S MAJOR SOURCES OF REVENUE (2016) BY CATEGORY OF SERVICE PROVIDED.



C) PLEASE LIST ANY SERVICES YOU BELIEVE ROSS STORES, INC. MAY UTILIZE THAT WOULD BE PROVIDED BY OFFICES IN YOUR NETWORK OTHER THAN YOUR SUBMITTING OFFICE.

Ross Stores, Inc. would primarily be serviced out of our Los Angeles headquarters, but we have the capacity to support Ross in any of our other five offices if the situation warrants.

D) PLEASE PROVIDE A ROUGH ESTIMATE OF THE NUMBER OF 2016 PRODUCTION JOBS YOU'RE SUBMITTING OFFICE PRODUCED.

Production Category	Number of 2016 Jobs	Percentage of 2016 Jobs
Television / Video	1,152	26%
Radio	471	11%
Out-of-Home	1,338	31%
Print	486	11%
Digital	916	21%
Total	4,363	100%

In-House vs. Third-Party Production Breakout:

For Television/Video, 75% of our production work was done by third-party vendors; 25% was done in-house. Post Production/ Editorial (Edit, Graphics, Color Correction, CGI, 3D, Comping Shots, Shot Clean Up) was 20% third-party; 80% in-house.

Radio production work was done entirely by third-party vendors.

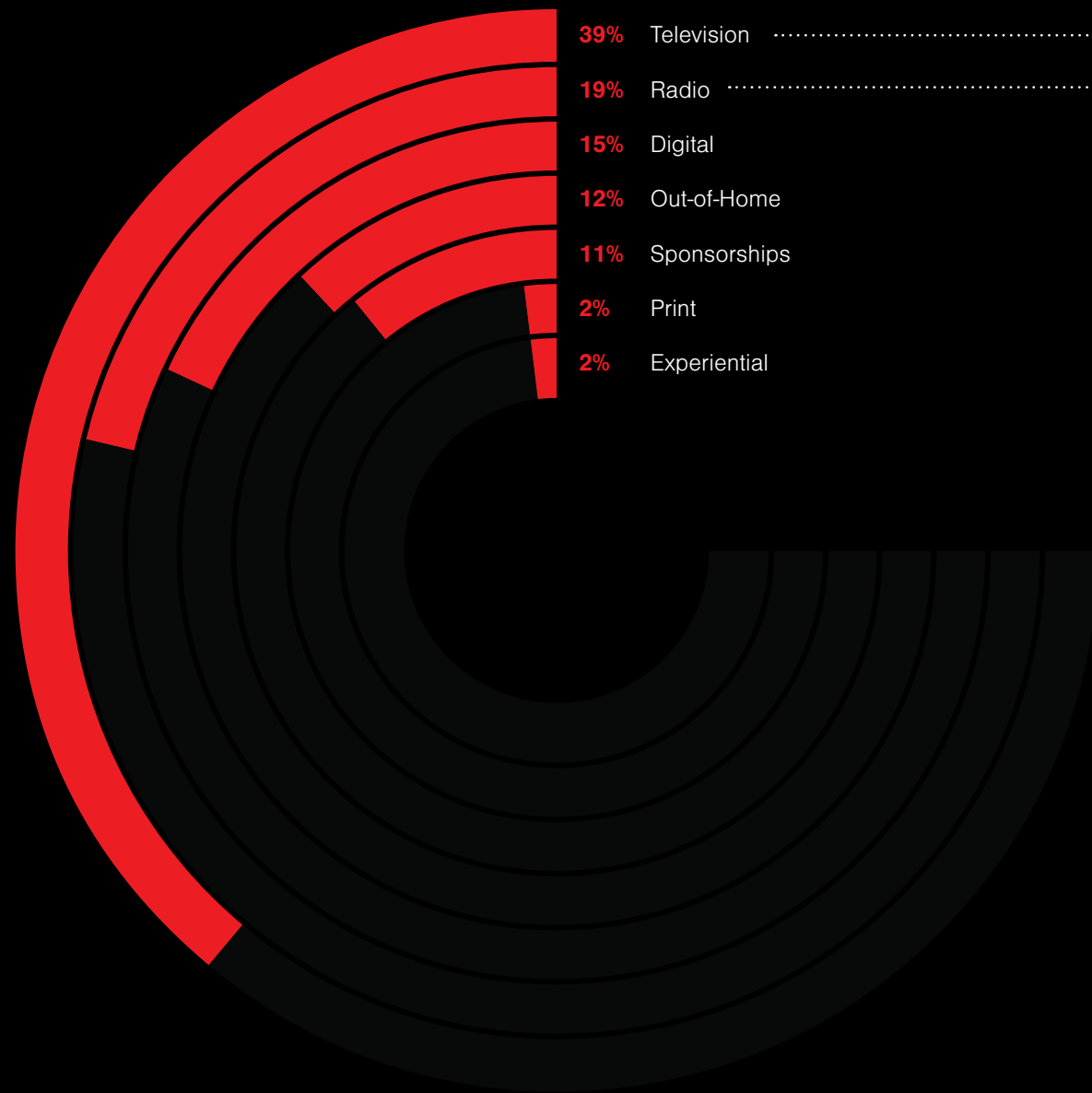
Out-of-Home and print production work was done entirely by third-party vendors.

Digital production was handled entirely in-house.

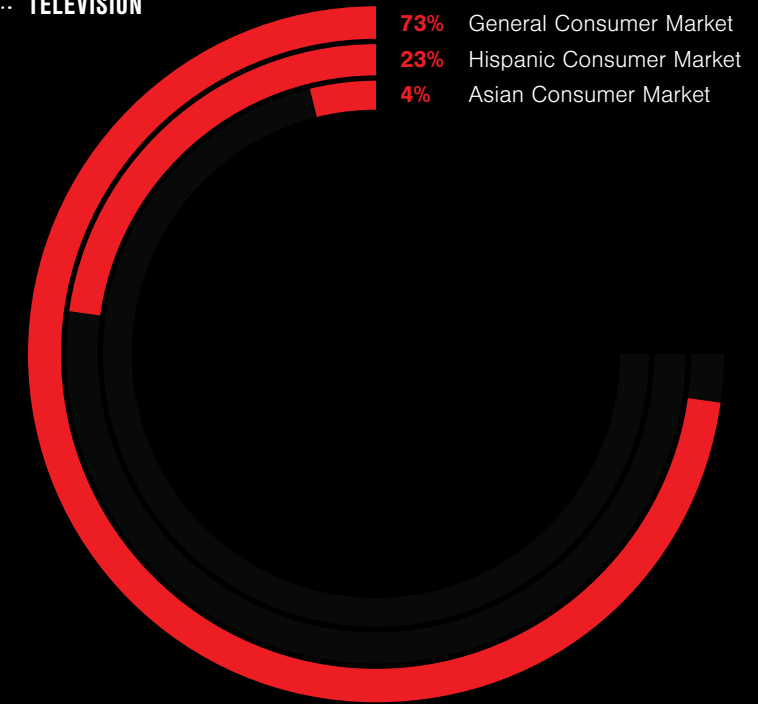
For all creative produced with the help of third-party vendors, the development and design work was done entirely by Davis Elen.

6. A 100% COMMITMENT

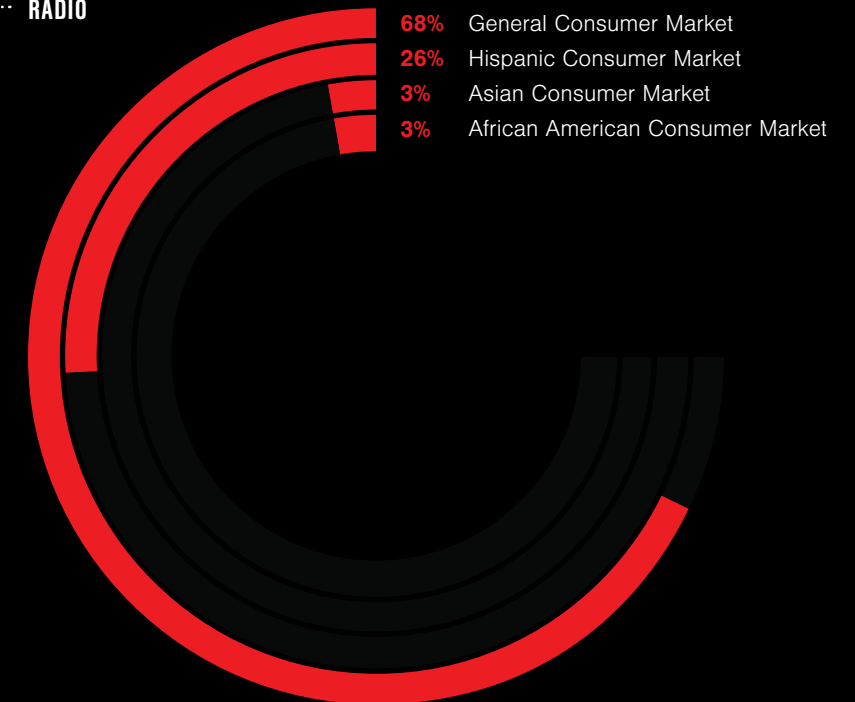
A) PLEASE CREATE A PIE CHART THAT BREAKS OUT YOUR AGENCY'S TOTAL MEDIA PLACEMENTS BY MEDIA TYPE.



TELEVISION



RADIO



While all current billings are spot (38+ markets), the Davis Elen media leadership team has extensive national experience in a wide range of categories including telecomm, entertainment, travel, automotive, and retail.

7. ON OUR ROSTER

A) CURRENT U.S. CLIENT LIST: LIST MAJOR CLIENTS AND YEAR EACH CLIENT WAS ACQUIRED. PLEASE LIST AOR CLIENTS FIRST, FOLLOWED BY PROJECT BASED CLIENTS.

All Davis Elen clients receive services in varying degrees from our Los Angeles headquarters. Our additional U.S. offices have been established to provide geographic support for clients such as Charter Communications, McDonald's and Toyota. See 7b for a comprehensive list of Davis Elen clients.

B) CURRENT SUBMITTING OFFICE CLIENT LIST: LIST MAJOR CLIENTS AT SUBMITTING OFFICE AND YEAR EACH CLIENT WAS ACQUIRED. PLEASE LIST AOR CLIENTS FIRST, FOLLOWED BY PROJECT BASED CLIENTS.

Submitting Office Client List:	Year Account Acquired	CA, CP, MA, MP
McDonald's Operators Associations (17 co-ops)	1965	CA, MA
Southern California Toyota Dealer Association	1977	CA, MA
Body Glove Cruises	1991	CA, MA
San Diego County Toyota Dealer Association	1995	CA, MA
GreatCall	2006	CA
CIT/OneWest Bank	2010	CA, MA
San Diego Chargers	2010	MA
Smithfield/Farmer John Foods	2013	CA, MA
KCBS2/KCAL9 TV	2014	MA
Reviv3 Procure	2014	CA
Udacity	2016	CA, MA
Charter Communications (Spectrum)	2016	CA
Kitty Hawk	2017	CA
Cisco Systems	2006	CP
Herbalife	2014	CP, MP
Ebates	2014	CP
Special Olympics	2014	CP, MP

C) PLEASE LIST ACCOUNTS AT SUBMITTING OFFICE GAINED IN THE LAST 3 YEARS AND ACCOUNTS LOST IN THE LAST 3 YEARS, AND REASON FOR DEPARTURE.

Accounts won:

Udacity
(2016) An online educational organization providing courses in technology, including coding, virtual reality, self-driving cars, digital marketing, etc. Successful outcomes on numerous projects for this client over the years led to this account being added to our full-time roster.

Charter Communications
(2016; won by DE Hispanic subsidiary, Castells & Asociados) TV, Internet and telephone services. Castells had a proven track record working with the multicultural team at Time Warner, particularly in the areas of analytics and creative innovation. There, we developed an acculturation model that redefined the target segments, which led to double digit sales and retention. In addition, in 2007, we successfully launched a mobile campaign that utilized social engagement to connect with our target. At the time, it was an innovation in the category, particularly among Hispanics. Our past history got us invited to the pitch. Our proposal won the business.

Kitty Hawk
(2017) Safe, fun, easy-to-use personal aircraft manufacturer. Based on a previously successful working relationship, the client has a deep trust in our ability to understand how to build a category from a leadership position. In particular, this client selected Davis Elen for our innovation, filmmaking and design expertise.

Accounts lost:

Pala Casino
After a successful relationship spanning 10+ years, the client decided to move in a new direction.

D) PLEASE INDICATE THE NUMBER OF ACCOUNTS AT YOUR SUBMITTING OFFICE BROKEN OUT BY CAPITALIZED BILLINGS (LINE 1) AND THE PERCENTAGE OF TOTAL BILLINGS EACH SEGMENT REPRESENTS (LINE 2).

	<\$1MM	\$1.1MM - \$10MM	\$11.1MM - \$25MM	\$25.1MM - \$50MM	>\$50.1MM
Line 1 (#)	5	7	1	2	2
Line 2 (%)	1%	18%	7%	18%	56%



8. CONFLICTS

PLEASE INDICATE ANY CONFLICTS THAT MAY EXIST WITH ROSS AT THE SUBMITTING OFFICE OR WITHIN YOUR U.S. OFFICE NETWORK.

Not applicable.

9. MEET OUR / YOUR TEAM

PLEASE PROVIDE SHORT BIOS FOR KEY AGENCY EXECUTIVES WHO WOULD HAVE A HIGH LIKELIHOOD OF WORKING ON THE ROSS AND DD'S ACCOUNT IN A MEANINGFUL CAPACITY.



Mark Davis

Chairman & CEO
Years at DE: 39

The agency's principal architect and driving force, Mark has personally led accounts like the Southern California Toyota Dealers to market share dominance. Mark established, and is chairman of, Castells & Asociados, the firm's subsidiary Hispanic agency. He also recently served on the Board of Directors for the Special Olympics World Games Los Angeles 2015.



Terry Sullivan

CFO & COO
Years at DE: 18

Terry brings considerable financial management experience to Davis Elen. For years he has effectively stewarded DE's Finance, Human Resources and Information Technology departments. Prior to Davis Elen he served as CFO at D'Arcy Masius Benton & Bowles, Senior VP of Finance & Administration at Hill Holliday, and VP Controller at Della Femina & Partners.



Liz Castells-Heard

President, Castells & Asociados;
Chief Strategy Officer, Davis Elen Advertising
Years at DE: 19

Liz Castells-Heard is a "tell it like it is" strategic leader and industry force with a Stanford MBA, finance and psychology training, and 30+ years of general market, client and Hispanic experience. Castells & Asociados was founded on Liz's vision to create a high quality Hispanic agency with business results as priority.



Teriann Hughes

Partner & EVP, Director of Media Operations
Years at DE: 14

Teriann honed her media expertise for 25+ years at Foote Cone and Belding, McCann-Erickson, Western and Initiative Media. She now oversees all media planning and buying at Davis Elen Advertising. She's been recognized as a Newsweek Media All-Star and received the OAAA Gold Award for Best Media Plan of the Year.



Bert Kelley

Partner & Executive Producer
Years at DE: 40

Bert brings his considerable experience to the position of Director of Broadcast Production. Over the course of his career, there isn't an industry award Bert hasn't received for his music, sound design, and film production skills. His tremendous contributions guarantee that the clients' messages are seen and heard loud and clear.



David Moranville

Partner & CCO
Years at DE: 15 (+6 prior years)

David is a true advertising veteran having owned his own successful agency and pocketed numerous awards including the highly coveted Cannes Gold Lion. At Davis Elen, David has the honor of personally overseeing all creative work that goes out the door.



Jesse Green

Senior Creative Director
Years at DE: 1 (+5 prior years)

Jesse began his creative career at Davis Elen before moving on to Motorola Mobility, where he led global brand design and oversaw development of go-to-market creative campaigns for a variety of new products. He returned to Davis Elen in 2016 to serve as Senior Creative Director on McDonald's.



Gary Kelly

Creative Director
Years at DE: 10

Before joining the DE team, Gary did award-winning work for American Honda Motorcycles. Since 2006, he has been at Davis Elen putting his creative mark on almost every account, including Toyota, Zynga, GreatCall, Cisco and McDonald's.



Brian Banks

VP & Director of Digital Strategy
Years at DE: 3

Brian has over 10 years of digital media experience, leading oversight for national and regional accounts, across a mix of brand, DR, and hybrid campaigns. At Davis Elen, he constantly pushes people to use the latest technology to provide the greatest insight and impact to overall campaign performance.



Marielise Nascimento-Colavin

VP & Director of Media Services
Years at DE: 9

Marielise is a multilingual and accomplished Hispanic media professional. With extensive retail experience and a profound understanding of the Hispanic media landscape and consumer, she has developed innovative multicultural media solutions in synergy with overall market and media strategies, which have delivered exceptional ROI for our clients.



Susan Richey

VP & Broadcast Director
Years at DE: 22

During her 30-year career, Susan has worked on some top retail and value-driven accounts such as Sears, Target, Mervyn's, May Department Stores and Pic 'N' Save.



Debbie Zimmerman

Senior Vice President & Account Director
Years at DE: 7 (+6 prior years)

Debbie has hands-on experience with branding, repositioning, and product launches, as well as advertising, sponsorship activation, promotion, and direct response. Her work spans a wide range of clients—including Washington Mutual, Miller's Outpost, Knott's Berry Farm, Daffy Swimwear, PacSun, Hilton Hotels, UnitedHealth Group, Del Taco, OneWest Bank, and Farmer John.



Patricia Chambers

Associate Media Director
Years at DE: 1

Patricia has experience in developing successful local, regional and national media strategies and loves the cross-disciplinary collaboration needed to see those strategies come to life. A veteran of agencies such as Conill/Saatchi & Saatchi and Initiative, she has experience in numerous categories such as wireless retail, automotive, healthcare and quick service restaurants.

10. THE MOTHER OF ALL QUESTIONS

A) OFF PRICE AND VALUE BRAND EXPERIENCE

PLEASE RECAP YOUR AGENCY'S EXPERIENCE WORKING WITH VALUE AND OFF PRICE BRANDS, AND ANY INSIGHTS YOU HAVE GAINED FROM YOUR EXPERIENCE INTO THE MINDSET OF THESE SHOPPERS THAT WOULD BE HELPFUL TO ROSS.

From our varied experience with a range of retail clients, we think we can bring a fresh perspective to Ross in understanding some different ways we have looked at "value." Here are a few examples:

Give us a low-price image. (Only we don't have low prices.)

Yes, this is exactly how senior management at Ralphs, our client for 16 years, challenged us: "Any agency can give us a low-price image when we have low prices. We need an agency that can give us a low-price image when we don't have them." We answered the challenge "inside the box" – inside the store, literally. By latching on to Ralphs extensive development of generic "Plain Wrap" products, we were able to reposition the raging low-price supermarket battle to one we could win i.e. by proving we could offer a lower total food bill to customers ("Switch and Save a buck a bag"). We backed up this message by bringing in a leading accounting firm to verify our claim ("Lower prices. Verified."). It was simple, meaningful differentiation that resonated with consumers.

What's considered a "value" one day may not necessarily be a "value" the next.

For years, the Dollar Menu served as the foundational platform for the McDonald's value proposition. Due to its lack of profit viability, we have had to transition to a different approach to retain the value-focused customer. We have accomplished this through partnering with our client operators and McDonald's corporate to develop a variety of initiatives that have also been adopted as national tactics. These include family bundles, 20-pc. Chicken McNuggets and, most recently, \$2 small McCafé beverages. There's nothing for a dollar, but the new value message is still strong and believable.

A Toyota customer looks at value through multiple lenses.

While research showed customers gave high marks to Toyota reliability, what they did not value was the car buying process. This was not exactly what our client wanted to hear but together we confronted this issue head on and embarked on our "We make it easy" campaign to reverse this perception. We began by promoting the ease of buying or leasing through our many financing options and the ease of finding the right vehicle via our extensive lineup. Over the 15 years we've been utilizing this theme, we've expanded and built on its meaning by promoting the ease of maintaining quality (through Toyota's no-cost maintenance plan) and the ease of affording your next vehicle (through Toyota's class-leading resale value). It's been one of the agency's longest-running and most memorable campaigns. DE has helped take Toyota's market share in Southern California, over our 40-year tenure, from 2% to 20%.

How is value defined for the Hispanic consumers?

Our Hispanic subsidiary, Castells & Asociados, has worked with retailers like Mervyn's and Safeway. What we've learned is that for Hispanic consumers, it's never just about the price for them but the entire value equation – which includes "the experience." Hispanics like experiential engagement. They value friendly, service-oriented stores where they are made to feel welcome. It's not just a "trip to the mall" for them; it is a journey and event, often with family and friends. This is what they value. The "treasure hunt" mindset inherent in the Ross and dd's Discounts value proposition will resonate strongly with them.

They may not admit it, but even millennials care about value.

Much has been said and written about this coveted and highly elusive target. They're the future! They're the present! They're everywhere! And they're completely disdainful of traditional advertising! Well, not so fast. Our research, analysis and experience have led us to eye this demographic in a slightly different light. Post the 2007 recession, which bled into 2008 and sustained through 2010 and beyond, millennials – who faced (and face today) a daunting job market – began to embrace some of the very traditional values they had once rejected in their parents and grandparents. Values such as reliability, quality, consistency and durability. This is a significant shift in consumer sentiment that should not be ignored. We believe that traditional core values have much to offer even hard-to-reach targets like millennials if the value proposition is conveyed in a meaningful and honest way.

B) RETAIL MENTALITY

PLEASE SUMMARIZE YOUR RETAIL CREDENTIALS AND ANYTHING UNIQUE ABOUT YOUR APPROACH TO WORKING WITH RETAIL CLIENTS.

One would be hard pressed to name a retail category Davis Elen hasn't touched in our six-decade history.

Amusement parks, automotive manufacturers, casinos, clothing manufacturers, financial institutions, quick service restaurants, real estate companies, sports teams, supermarkets and television stations are just a sampling of the retail worlds we have experienced.

Our clients today reap the benefits of this wealth of experience.

We know how to assess the marketplace, analyze the competitive landscape, review sales and key performance indicators and develop strategies that will result in business growth.

We develop creative that is both attention getting and sensitive to the varying cultural cues and ethnic markets that are so critical to business success today.

We make sure our media plans leave no market untapped, are highly flexible and accountable and deliver on communication goals.

We get involved at every customer touchpoint – from broadcast and social media to crew incentives, promotional events and activations.

These multiple efforts all come together with a single objective: To impel a customer to take action.



C) MEDIA CAPABILITIES

PLEASE PROVIDE AN OVERVIEW OF YOUR MEDIA CAPABILITIES AND YOUR PHILOSOPHY ON THE ROLE MEDIA PLAYS IN THE CREATIVE DEVELOPMENT PROCESS.

At DE, one of our key roles in media is to bring opportunities to the creative team that will either spark an idea or bring an existing concept to life. Our media team works in lockstep with our creatives throughout the concept development process in order to ensure that our messaging will both resonate and become amplified in the selected media channels. Media and creative must align in order to deliver not only the right message to the right person but at the right time — capturing the interest of those individuals when they have the highest likelihood of actually listening to what we have to say.

We access our industry-leading research tools (see chart) to guide us in the development and stewardship of innovative, seamless media plans and buys. As media habits evolve, our media philosophy is to adapt as necessary to reach the target audience wherever these individuals are. We constantly strive to strike a balance between maximizing reach and message frequency and sponsoring engaging content in order to break through the clutter. We believe that “tonnage” can co-exist with innovation to deliver the best of both worlds and that “traditional” media can be relevant and effective when freshened with a new tactic or approach. Examples of this include strategic firsts in station integration and custom feature segments on broadcast media.

As part of our extensive expertise with retail media planning and buying, we incorporate our deep understanding of the ethnic/multicultural media landscape and its unique dynamics. This allows us to develop total market media plans that deliver a carefully calibrated balance between relevant content, language and ethnic and cultural cues. All pieces of the total market media plan need to work synergistically in order to deliver maximum results for the market as a whole. We have vast experience working within the Hispanic Market (Spanish-language, bilingual and English-dominant), African American Market, and Asian Market (In language - Mandarin, Cantonese, Vietnamese, Korean, Tagalog, Hindi, and English-dominant).

To accomplish all of this, DE uses a wide range of industry leading tools including:

Strategic	Social	Media
Simmons	NUVI	Nielsen
Scarborough	Brandwatch	SQAD
Mintel	SproutSocial	IMS
IBISWorld	Grin	Telmar
Iconoculture	Cubeyou	Kantar
eMarketer	Affinio	comScore
Geoscape	DemographicsPro	Google Analytics
Ipsos	Google Analytics	DoubleClick
Nielsen Panels	NUVI Publishing	Integral Ad Science
Pew	MOSAICO	SEMrush
	Insta Stories	Google AdWords
	Videoshop	Bing ads
	Videohance	

D) AGENCY COSTS

HOW DO YOU BELIEVE YOUR COSTS COMPARE TO OTHER AGENCIES? IS THERE ANY PHILOSOPHY OR PRINCIPLES THAT GUIDE YOUR FEE STRUCTURE?

DE has never had an issue reaching a fair and equitable compensation agreement with our clients. While we believe our fees are at or below industry norms, we have found that when a client respects and values what we do, a mutually acceptable arrangement is easily achieved.

In addition, from a media standpoint, we treat every dollar of our client’s money as if it were our own. With our decades of negotiating experience, we pride ourselves on securing the lowest rates in all our markets. We typically negotiate our schedules up front to leverage the dollars in the market, secure top-rated inventory and spell out expectations regarding extra value and our pre-emption policy. Based on third-party audits, we have been proven to deliver rates that are consistently 20 - 40+% lower than low SQAD industry pricing with added value that exceeds 20 - 30%. We achieve outdoor rates that are 55 - 75% lower than going market rates and our negotiated digital rates have routinely beaten those of the national agencies for both Toyota and McDonald’s in side-by-side comparisons.

“...WE HAVE BEEN PROVEN TO DELIVER RATES THAT ARE CONSISTENTLY 20-40+% LOWER THAN LOW SQAD INDUSTRY PRICING...”

E) DATA & ANALYTICS

PLEASE DESCRIBE YOUR DATA AND ANALYTICS CAPABILITIES AND HOW DATA HELPS YOU MAKE BETTER DECISIONS FOR YOUR CLIENTS. PLEASE PROVIDE SOME EXAMPLES OF THE CRITERIA YOU USE TO DETERMINE CAMPAIGN SUCCESS OR FAILURE.

The impact of analytics – from strategy through results

We rely on a wide range of industry-leading analytic tools to help us determine the most effective ways to reach our target consumers, providing an “inside look” at important cultural and emotional indicators that pertain to specific audience segments. With significant insights into competitive landscapes and local trends in hand, our ability to analyze consumer behavior helps guide the development of effective strategies for growing our clients’ business.

For McDonald’s, DE utilizes several tracking tools that allow us to get a strong grasp on exactly what is impacting product mix, sales and transactions in all territories. This technique gives us a critical view of consumer demographics and sales drivers in each of our operating areas.

Every promotion recommendation we develop goes through ethnic, transaction, sales and profitability-driving screens to ensure that it is the right fit. We also establish metrics with the client up front: transaction drivers, average check builders and more. Once a recommended promotion is in place, we conduct thorough analysis during and post-promotion to determine how successful and profitable it was against the agreed-on measurements.

The impact of analytics on our approach to media

In today’s complex media landscape, it is imperative to stay relevant and our data analytics tools provide us with robust information. When combined with our media and target segment expertise, we are able to deliver innovative and effective media strategies.

We deploy data and analytics throughout the entire planning and buying cycle. Post-campaign success criteria include reach and frequency delivery as well as post-buy analyses. We hold our vendors to a higher-than-industry standard so that our clients get more than what they paid for.

We evaluate client sales data and trends to aid in the development of market selection, as well as media ROI. For Toyota and McDonald’s, we collaborate with the national teams for their marketing effectiveness model. For our client Udacity, we help identify the most promising markets to support through an extensive analysis of client data based on performance results, population trends, conversion rates and media costs. This allows us to prioritize those markets with the highest potential and lowest cost.

The impact of analytics on our approach to digital

From a digital perspective, we have a number of tools and practices in place to ensure campaign delivery, accountability and performance. We kick off every campaign with predetermined KPIs for either sales or on-site interaction, and establish both short-term and long-term checkpoints for our vendors in order to reach these metrics.

All digital media are tracked through a single attribution source (DoubleClick), inclusive of social and search to prevent cross-channel conversion duplication. We have multiple mid-campaign goals for each participating partner and make regular optimizations throughout live campaigns. We look at multi-touch attribution models to determine the overall influence of higher funnel tactics that may not be given final credit for the sale.



Lastly, we run Integral Ad Science (IAS) across all of our digital campaigns to ensure geo compliance and viewability as well as to limit bot and fraud traffic. When an ad call is made that does not meet our pre-determined goals set through IAS, that ad is blocked from delivery, resulting in significant cost savings.



F) CLIENT & EMPLOYEE LONGEVITY

WHAT DOES YOUR AGENCY DO TO MINIMIZE EMPLOYEE TURNOVER? WHAT’S THE SECRET TO LONG CLIENT AGENCY RELATIONSHIPS? PLEASE LIST THE AVERAGE TENURE AT THE SUBMITTING OFFICE.

Average Tenure	
Account Management	72 Months
Creative	43 Months
Media Planning & Buying	76 Months

We really can’t separate the reason we have such long-tenured relationships with clients from the reason we have so many long-tenured employees. The answer is the same in both cases.

We are family.

Within the office, there’s a familial feel to how we interact with each other. We are not divided by walls or titles. Ideas are freely shared between all individuals. It’s a collegial atmosphere with a shared passion for the work we do collectively and individually. Many of our employees have been with us ten, twenty, thirty years and more. This inspires others to see our shop as a place they can truly call home.

Our clients are family, too. We go to events together. We enjoy their company. We check in on a regular basis to just see what’s going on – it’s not all status reports via email. It’s the personal conversations that bond us together and allow us to meet all challenges in a positive spirit.

Many employees who come from other agencies marvel at the open, warm and welcoming atmosphere they discover at Davis Elen. In fact, we have employees who have left for “greener pastures” only to come back to re-discover and reconnect with the values they realize they had left behind.

We believe that by nurturing an environment that honors the personal touch, business will just naturally flourish.

11. DON'T TAKE OUR WORD FOR IT.

PLEASE SUPPLY A MINIMUM OF THREE REFERENCES FOR YOUR RESPONDING OFFICE.



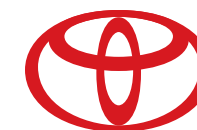
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12. WE SAVED THE BEST FOR LAST

[VIEW TV & RADIO HERE](#)

TOYOTA / SCION CASE STUDY

Relevance to Ross/dd's Discounts:

Demonstrates agency's ability to uncover market segment opportunities.

Background

In February 2016, Toyota's national arm, Toyota Motor Sales U.S.A., made an abrupt decision to discontinue its Scion brand and fold those vehicles into the Toyota brand.

Challenge

Toyota National tasked DE with providing a local strategy to assist in selling down the Scion brand.

Key Insight

Through our analysis of sales data, we recognized a growing trend in the Hispanic market for entry subcompact vehicles (in particular, we noted a substantial growth in sales for the Nissan Versa which was dominating the segment). We identified specific Scion models, the iA and iM, as having the maximum potential for capturing more segment share.

Strategy

We developed a marketing plan heavily focused on Spanish in-language advertising – a tactic that had been untapped by Toyota nationally. To resonate with the Hispanic consumer, we developed value-based messaging that promoted the features and benefits that come standard on Scion vehicles. And, to minimize production expense, we re-purposed existing national footage.

Positioning

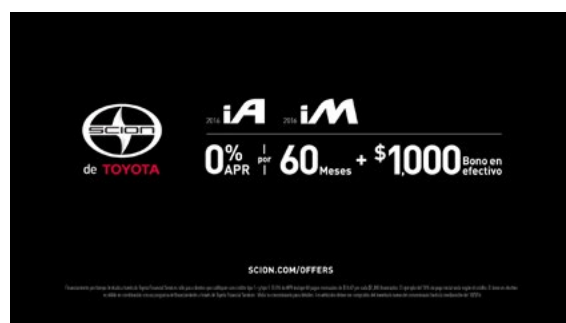
A Scion is a high-quality, well-equipped, low price-point vehicle.

Executorial Elements

Broadcast TV/Cable, streaming video, radio, streaming audio, paid social and targeted digital. We also partnered with urban radio DJ personalities to reach a younger, multicultural audience.

Results

From June through September 2016, Scion sales surged in the Hispanic market – a 65% YOY growth in HM sales. As a result of this sales success, Scion inventory from around the country was re-routed to Southern California. The sell-down was completed one month ahead of schedule and Toyota National breathed one huge sigh of relief.



MCDONALD'S MCRIB CAMPAIGN CASE STUDY

Relevance to Ross/dd's Discount:

Demonstrates integrated media and creative collaboration to reach new audiences with a traditional product.

Background

The McRib sandwich is a much-loved seasonal McDonald's product. In 2015, the decision was made to not offer McRib in the local market. The resultant clamor made it clear that there was significant pent up demand for the iconic product to return.

Challenge

Disruptive messaging and media placement were needed to stand out in the cluttered Los Angeles marketplace during the crowded holiday time period in a highly competitive category.

Key Insight

Consumers, especially millennials, will respond to relevant messages and unique placement that present an established product in a new and edgy way.

Strategy

Develop an original local campaign that would stand out against typical holiday fast food advertising. Use unique media placement to capture the attention of millennials and create a new generation of McRib fans.

Positioning

Get in line for the Pork and Pepper Comeback Tour. The McRib is back!

Media & Executional Elements

The Pork and Pepper Comeback Tour positioned McRib as a returning rock star. The media department enhanced the core placement by placing McRib on varied and multiple platforms where audiences consumed music.

[VIEW TV & RADIO HERE](#)

TV

Increased use of music-themed cable networks such as VH1 and BET.

Radio/Streaming Audio

Partnered with Pandora, Spotify, Tune-in and Shazam to insert into various music channels.

Digital

Digital team created a website where visitors could create their own customized backstage pass. Additionally, the agency used concert-based experiential, received as part of radio negotiations, to insert millennial-targeted Snapchat creative into the concert occasion.

OOH

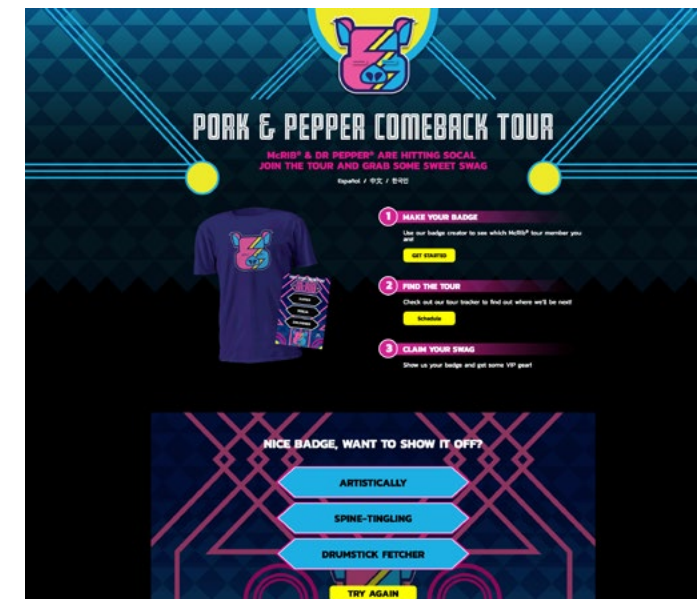
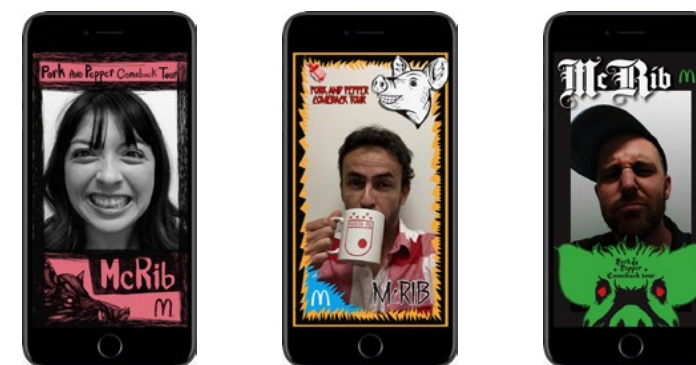
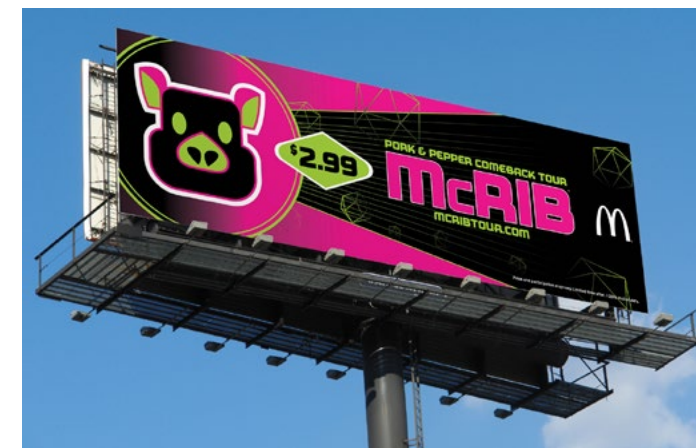
Augmented bulletin/poster/bus/transit purchase with the development of a wrapped double-decker tour bus.

Activation

A tour bus announced the comeback via wrapped messaging and partnership with radio stations. Activation teams handed out tour swag and engaged with consumers at designated tour stops.

Results

In Nov/Dec 2016, L.A. increased sales of McRib 24% over the same period in 2014 (2015 had no McRib promo). The McRib Comeback Tour activity is credited with not only spiking 4th quarter sales, but spurring momentum into 1st quarter, 2017. A momentum that continues presently.



SPECIAL OLYMPICS WORLD GAMES 2015 CASE STUDY

[VIEW TV & RADIO HERE](#)

Relevance to Ross/dd's Discounts:

Demonstrates the power of DE media clout.

Background

The Special Olympics World Games 2015 was to be the largest sporting event hosted by the city of Los Angeles since the 1984 Olympics. After L.A. won the bid (and DE was selected as AOR), it quickly became apparent that there was little awareness about the event or its purpose. To complicate the situation, there was zero funding for the games; all efforts, money and in-kind, needed to be donated.

Challenge

Beyond building awareness for the Games, we needed to serve a higher purpose of changing people's perceptions about those who have intellectual disabilities. Without any funding, we needed to secure \$71 million to subsidize the games as well as enlist some 30,000 volunteers and draw 200,000 spectators for the week-long event. And we had to do it all with a no-cost media plan!

Key Insight

While attending a regional Special Olympics competition, we observed that whether athletes won or lost in competition, they joyfully threw up their arms in triumph. This gesture spoke volumes about their sense of pride and feelings of accomplishment. Athletic competition gave them the opportunity to develop physical fitness, demonstrate courage, and experience a joyful sense of community and acceptance.

Strategy

We created the "Reach Up" pose and logo to embody the athletes' pride and prowess. Videos and marketing materials of the athletes striking the pose became our theme to inspire donations and create awareness all over Los Angeles.

Positioning

Embrace the spirit of acceptance and inclusion for these exceptional individuals.

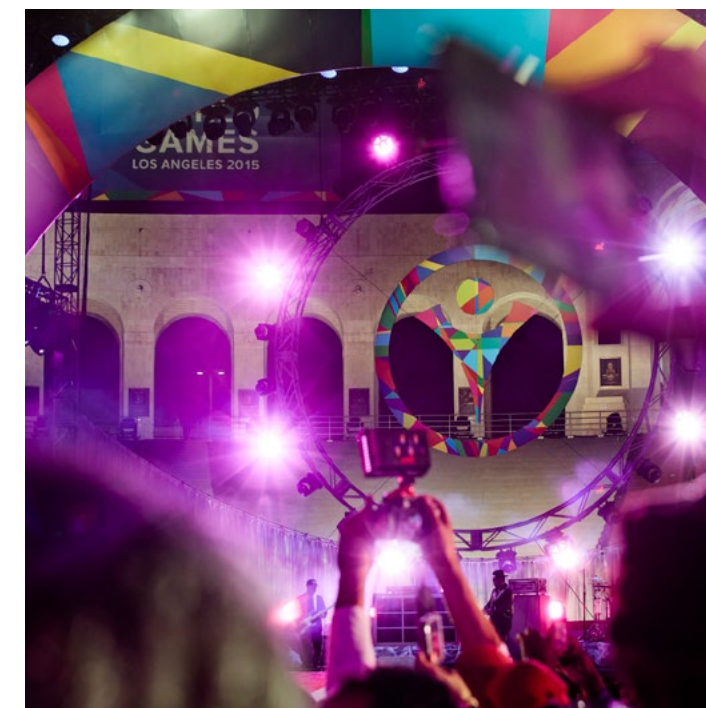
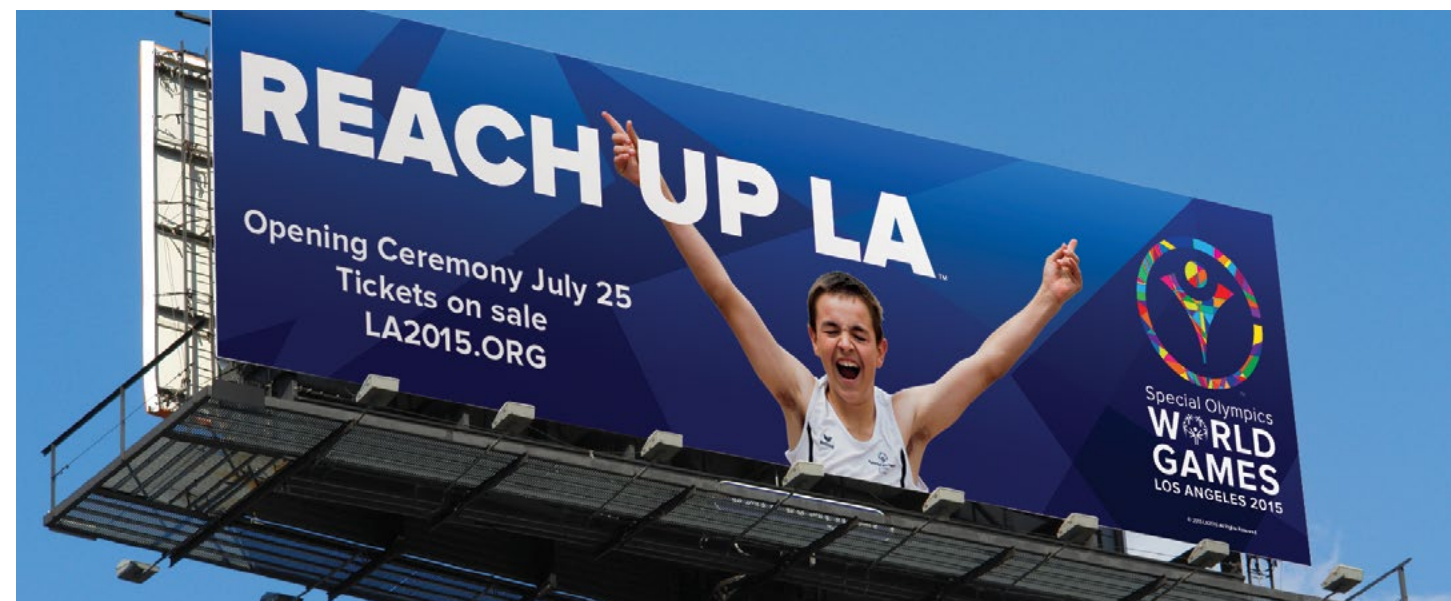
Executorial Elements

Media played a key role in inspiring the market to react with a donation or a commitment to volunteer. We focused on a high profile outdoor presence complemented by high-frequency TV, radio, print and digital media. All media was donated through DE's ability to leverage our considerable clout in the greater Los Angeles area. We implemented two media flights, one to generate awareness, donations and volunteers, and the second flight as a build-up to the actual World Games in July to drive attendance and support.

Results

The Special Olympics World Games 2015 were the most successful World Games ever:

- Raised \$114,000,000 (75% through sponsors)
- Received \$20,000,000 in donated media
- Garnered 1 billion traditional media impressions in Los Angeles
- Achieved 4 billion social media impressions worldwide
- Sold out Opening Ceremonies with a record 62,338 in attendance
- First ever live games broadcast on ESPN in 170 countries to more than 20 million viewers
- Attendance of 247,249 for the week-long event surpassed client's goal



CREATIVE SAMPLES - TOYOTA

[VIEW CREATIVE SAMPLES](#)



CREATIVE SAMPLES - UDACITY



MOST GRADUATES ARE IN DEBT. OURS ARE RAISING THE GDP.

While most graduates are trying to make a dent in their student debt, Udacity Nanodegree graduates are making an impact in the business world. Udacity's real-world, project-based curriculum along with our personalized mentoring has equipped our graduates with the skills to get hired at many of today's Fortune 100 companies.

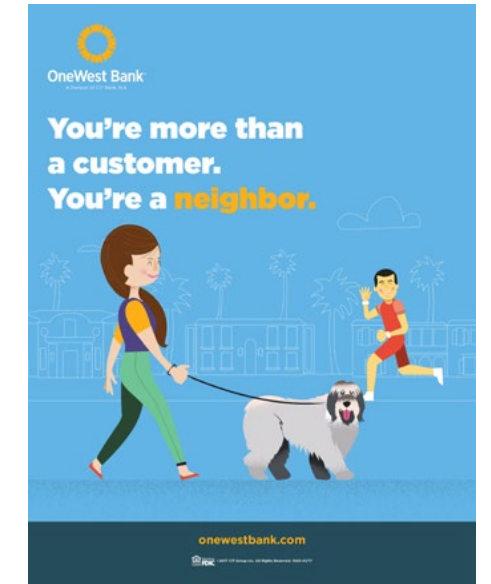
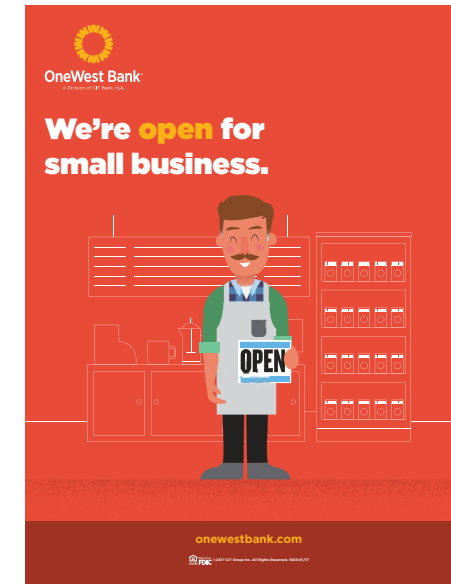
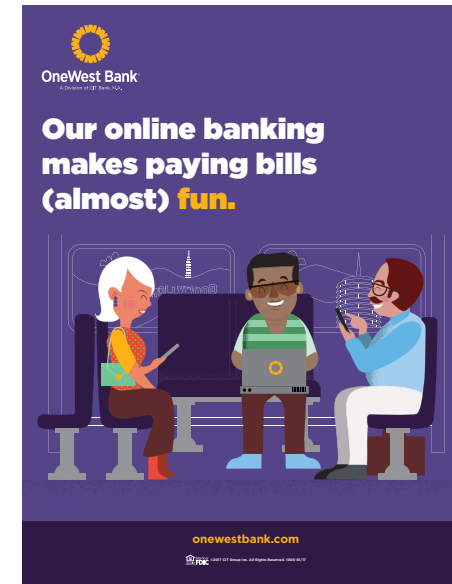
We'd like to congratulate our recent graduates and encourage anyone who wants to advance their skillset in technology, commerce or government to sign up for our online programs at Udacity.com.



CREATIVE SAMPLES - MCDONALD'S



CREATIVE SAMPLES - ONEWEST BANK



CREATIVE SAMPLES - SPECIAL OLYMPICS



CREATIVE SAMPLES - REVIV3



