



# NEWS



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**AAAA/ANA ANNOUNCE CREATION OF NEW,  
JOINTLY OWNED ENTERPRISE**

***New Company Will Issue  
Advertising Digital Identification Codes***

**New York, July 15, 2002...**The Association of National Advertisers (ANA) and the American Association of Advertising Agencies (AAAA) announced today the formation of a new joint venture to provide the advertising industry with its first-ever advertising digital identification system.

The company, *Advertising Digital Identification, LLC* (Ad-ID), will provide the marketing and advertising industry with a new digital identification system for all forms of advertising. The system—designed by the ANA and AAAA in consultation with major media groups—is expected to be fully operational by October 2002; the goal is to have universal adoption and compliance by all media, advertisers, ad agencies, and their suppliers.

The announcement was made today at the ANA/AAAA Marketing Conference & Trade Show: “*Effective Use of Digital Marketing to Reach Profitable Consumers*,” which runs July 15-16 at the New York Hilton.

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“Given the new media landscape, we knew we had to create one coding standard to ensure that our advertisers and their agencies would not face a confusing array of multiple standards to identify their advertising assets. Ultimately, Ad-ID will facilitate a higher level of accountability,” said John J. Sarsen, Jr. CEO of the ANA.

O. Burtch Drake, AAAA president-CEO said, “Ad-ID will help migrate the current Industry Standard Coding Identification (ISCI) to a digital platform and holds great potential for the industry. Finally, here’s a system that allows advertisers, agencies, the media, and suppliers to be fully connected and communicating in real time—and we’re confident this new ID system will revolutionize the industry the way the UPC code revolutionized the grocery business.”

Ad-ID will provide a wide array of short and long-term benefits to the industries it serves. Initially, the new system will serve as a replacement for the eight-digit, analog ID codes mandatory for placing network TV commercials for the past 30 years, called ISCI. The process has served the industry well, but has limited capabilities— the coding system offers only four million combinations, it cannot be used in any other media, and it lacks the ability to track and attach information about each ad.

Ad-ID, backward compatible with the current ISCI, is a completely digital system, which uses a 12 digit alphanumeric code—thereby creating 2.8 trillion unique combinations. This new system allows for descriptive “metadata” information that is useful across all digital environments.

The new, digital system possesses a virtually unlimited capacity to store a wide variety of information about any ad in any medium. For example, with Ad-ID, users can quickly learn which agency created the spot along with an entire list of credits, including the director, copywriter, art director, production house, etc—and eventually, when and where an ad has run. The new codes come with a price tag, but the billing structure insures that even the smallest advertiser can afford an identification code.

Following Ad-ID’s launch in October, the ANA and the AAAA will offer advertisers and their agencies seminars on how to make the best use of the new system.

Longer-term benefits of Ad-ID via future software development include the possibility of global and cross-media campaign tracking, the ROI advertising analysis, and real time verification that media ran according to plan.

Larry Smith of Live Idea, Inc. served as business consultant and software developer on the Ad-ID project.

## **The Company**

Ad-ID LLC's corporate global headquarters will be located at AAAA headquarters in New York City, where ad agency veteran John Kaiser has joined as Ad-ID's Senior Vice President, Marketing and Sales. Previously a senior account manager at former Dancer Fitzgerald Sample and its successor agency Saatchi & Saatchi, Kaiser most recently was responsible for marketing at MarketPlace Technologies, a web technology company in Boston.

Kaiser will work closely with AAAA Executive Vice President Wendy Jones in the AAAA Charlotte office, where the operations and finance sides of Ad-ID will be run.

## **About the ANA**

The ANA is the industry's premier trade association dedicated exclusively to marketing and brand building. Representing over 300 companies with 8,000 brands that collectively spend over \$100 billion in marketing communications and advertising, the association's members market products and services to consumers and businesses. ANA serves the needs of its members by providing marketing and advertising industry leadership, legislative leadership, information resources, professional development and industry-wide networking.

## **About the AAAA**

The American Association of Advertising Agencies is the national trade association of the advertising agency business. The 1,225 member agency offices it serves in the U.S. employ 65,000 people, offer a wide range of marketing communications services, and place 75 percent of all national advertising. The management-oriented association helps its members build their businesses, and acts as the industry's spokesman with government, media, and the public sector. For more information visit our Web site at [www.aaaa.org](http://www.aaaa.org).

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## **Ad-ID The Beginning**

In 1998, the FAST Summit, sponsored by Procter & Gamble, was a watershed event for the emerging internet interactive media. Michael Donahue, Executive Vice President, American Association of Advertising Agencies not only played an instrumental role in the event, but left with a simple and very big idea: the advertising industry in general and the digital

interactive media specifically needed a simple method for knowing which ad ran where, and how the ad performed. In other words name the ad and share the information so everyone can benefit.

The entry point was ISCI, the Industry Standard Coding Identification standard owned by the AAAA and ANA, and a required identification code for airing commercials on network TV for the past 32 years.

Larry W. Smith, President and CEO of US Interactive, one of the panelist at FAST, offered assistance and in February 1999 presented a concept for a digital version of ISCI. The initial thought was to increase the number of uniquely identifying characters from 8 to 18, thereby creating many trillions more codes, enough to handle all media, not just network television. What's more each character of the code could carry "visible" meaning and additional information could be written into the file or database.

To validate the concept, Accenture Consulting was hired to further explore the market need and determine the economic value. Extensive research was conducted with hundreds of interviews conducted among agencies and advertisers. The results were clear and conclusive: an industry standard was needed, the ANA and AAAA were the obvious trusted source, and the long-term value was in describing every ad according to a structured set of metadata in a central database.

By 2001, momentum had built in four quadrants of influence:

- Media EDI systems require an "UAI" or unique asset identifier for the nine major media XML schema being developed
- Asset management software with a need to commonly identify assets across the enterprise and world
- Digital production, transport and central data warehouses at many media vendors
- Advertisers demand for accountability with the inherent requirement to clearly initiate the loop with the ad asset being exposed to a consumer.

So in early 2002, Larry W. Smith, President and CEO, Live Idea Inc., was re-engaged to actually define a business operation and build a robust software system. Ad-ID was born.

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