

MADISON AVENUE PROJECT

- Ending racial discrimination in America's advertising industry -

Press Release

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Contact: Deb Colbert, 301-565-5329 (O) or 301-332-0813 (C), daccomm@aol.com;
Richard J. McIntire, NAACP Communications Department, 202-463-2940 x1021,
rjmcintire@naacpnet.org

NEW DATA EXPOSES DRAMATIC RACIAL DISCRIMINATION IN U.S. ADVERTISING INDUSTRY *NAACP, MEHRI & SKALET ANNOUNCE MADISON AVENUE PROJECT*

NEW YORK, NEW YORK --- An exhaustive new study of America's advertising industry released today has found dramatic levels of racial discrimination throughout the industry. Bias against African-American professionals was found in pay, hiring, promotions, assignments, and other areas.

The study was initiated by a coalition of legal, civil rights, and industry leaders who created the Madison Avenue Project. The Project was created in 2008 to address advertising's deep-rooted racial bias and today, Cyrus Mehri, Project leader and prominent civil rights lawyer, called the findings "absolutely astonishing in this day and age." Angela Ciccolo of the NAACP, another Project partner, commented that "the time has come to stand up to change this industry."

Overall, the findings reveal that racial discrimination is **38% worse in the advertising industry than in the overall U.S. labor market**, and that the "discrimination divide" between advertising and other U.S. industries is **more than twice as bad now as it was 30 years ago**.

Specific findings include:

- Black college graduates working in advertising earn \$.80 for every dollar earned by their equally-qualified White counterparts;
- Based on national demographic data, 9.6% of advertising managers and professionals should be African-Americans. The actual percentage in 2008 is 5.3%, representing a difference of 7,200 executive-level jobs;
- About 16% of large advertising firms employ **no** black managers or professionals, a rate 60% higher than in the overall labor market;
- Black managers and professionals in the industry are only one-tenth as likely as their White counterparts to earn \$100,000 a year;
- Blacks are only 62% as likely as their White counterparts to work in the powerful "creative" and "client contact" functions in advertising agencies;

- Eliminating the industry's current Black-White employment gap would require tripling its Black managers and professionals.

Though employment discrimination has sharply diminished in America in the last 40 years, systemic barriers to equality in the \$31 billion a year advertising industry have not budged. In 1978, for example, the New York City Human Rights Commission found that limited minority employment "was not simply the result of neutral forces, but emanated directly from discriminatory practices." Those practices continue today.

The study found the primary source of discrimination to be agencies' implicit assumption that the cause of Black under-representation is a shortage of 'qualified' Black job seekers. In reality, the problem is not a shortage but a "persistent unwillingness by mainstream advertising agencies to hire, assign, advance, and retain already-available Black talent."

Moreover, the study found, the industry's response to long-running charges of discrimination has consisted of "token efforts. The industry's primary response has been extremely modest expansions in training and entry-level hiring." At today's rate of progress, Black numbers among advertising managers and professionals will not reach their expected level for another 71 years.

An appropriate response, the study concluded, "will require fundamentally transforming the workplace culture of general market advertising agencies." Specifically, agencies must root out the stereotypes that make race, not ability, determine employment potential; halt the "buddy system," in which personal relationships and social comfort often count for more than job performance; and eliminate the assumptions that racial minorities can't succeed in non-ethnic markets.

The Madison Avenue Project is led by the NAACP and attorney Cyrus Mehri, of Mehri & Skalet, PLLC, who has won several multi-million dollar discrimination settlements against such corporations as The Coca-Cola Company, Morgan Stanley and Texaco Inc.; with the cooperation of Sanford Moore, a former advertising executive, current New York City talk radio co-host, and longtime advocate for racial parity in advertising.

"Today we are sending a message to the advertising industry: this conduct is unacceptable and must change," Mehri said today.

"I have witnessed first-hand the mendacity and machinations that have kept African-Americans invisible on and to Madison Avenue for over four decades," Moore said. "Madison Avenue has created and perpetuated a 'separate and unequal' marketing paradigm which is reflected in their advertising, their workforce and among their executive ranks. Even though our dollars provide the profits, the industry is still afraid of the dark."

Angela Ciccolo announced, on behalf of the NAACP, that "we are going to circulate the report not just to our units to inform our members, but also to Fortune 100 companies to urge them to stop aiding and abetting widespread discrimination by this industry." "The Madison Avenue Project is designed to send a special wake up call to the advertising industry. It's time for Madison Avenue to wake up to civil rights and to the meaningful inclusion of African Americans in this highly segregated industry," she continued.

The study, entitled "Research Perspectives on Race and Employment in the Advertising Industry," was conducted by a leading research firm, Bendick and Egan Economic Consultants. The complete study can be found at www.findjustice.com (Mehri & Skalet), www.naacp.org (NAACP), and www.bendickegan.com (Bendick and Egan).