

Marketing firms specializing in graphics aim to avoid ad slump



Speedpro Imaging specializes in vehicle wraps like this one. PROVIDED BY SPEEDPRO IMAGING

BY MIKE SUNNUCKS AND CHRIS CASACCHIA
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Marketing firms specializing in graphic advertising — such as vehicle wraps, billboard designs, trade-show exhibits and in-store signs — hope the economic and housing slides won't take them on the same revenue slalom that's hitting newspapers and television stations.

Scottsdale-based Speedpro Imaging CEO Blair Gran said his company's graphic marketing business is growing despite the stress of the Wall Street bailout, housing crisis and credit crunch.

Speedpro recently added seven franchisees to its North American network,

he said, including new locations in Tucson; Philadelphia; Charlotte, N.C.; Austin, Texas; and sites in Colorado and Minnesota.

The company already has 54 franchise locations in the U.S. and Canada, with several more deals in the works.

Gran hopes large corporations, architecture firms, real estate developers and other clients will stick with imaging- and sign-based marketing even as they cut media ad buys. Gran said it's important for businesses to market and brand their products and services during the downturn.

"They will maintain or intensify the large-format imaging pieces and the graphics at points of purchase," he said, referring to signage at cash registers. "They are turning away from traditional media messages."

Newspaper and TV station ad sales are being hit by tumbling consumer confidence and home sales. Gannett Co., parent company of *The Arizona Republic* and *USA Today*, reports newspaper and classified ad sales were down 17 percent and 28 percent, respectively, from August 2007 to August 2008.

'There is still a lot of marketing work out there.'

Companies are "hacking at advertising budgets," Gran said.

Jared Smith, president of bluemedial, a Tempe-based graphics and marketing business, said he laid off five workers recently. He's still seeing growth, but it has slowed.

"It was time to get a little leaner," said Smith.

Bluemedial, which specializes in vehicle wraps and advertising murals, has 52 employees. Smith said 2008 sales are 1 percent to 2 percent better than in 2007, but business is down compared with previous years.

Still, he said, "there is still a lot of marketing work out there."

Gran said stock market declines as well as corporate stress and reorganizations are helping Speedpro recruit franchise owners.

The Scottsdale company wants its franchisees to have executive business experience rather than graphics and creative backgrounds.

"They are taking their capital out of that market and investing in themselves," said Gran, who is seeing interest from technology, finance and real estate executives looking for new career paths.

He would not disclose Speedpro's annual revenue, but said franchisees need initial capital of about \$159,000.

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