

A Full Slate: Meet the 2015 DR Hall of Fame Inductees

SANTA ANA, CALIF. — *Response Magazine* and its Advisory Board announced the inductees for the third class of the Direct Response Hall of Fame on Feb. 18. The group features a dozen legends in the direct response marketing world, including a pair of posthumous inductees. They are: Leslie Blodgett, Maria Kennedy, Philip Kives, Joy Mangano, Nancy Marcum, Marianna Morello, Mark Rosenzweig, Richard Simmons, Anthony Sullivan, Bob Todd, and posthumous inductees Lowell “Bud” Paxson and Roy Speer.

“This third group of inductees to the DR Hall of Fame has all of the star power and industry leadership that direct response marketers have grown accustomed to with the previous two classes. We are thrilled to welcome this deserving and spectacular group,” says Thomas Haire, editor-in-chief of *Response*. “As always, we must credit the DR Hall of Fame’s genesis to Northern Response’s Richard Stacey, whose desire for *Response* and the industry as a whole to truly honor those in direct response marketing was crucial to its founding in 2013.”

The group will be honored during a series of afternoon events at Response Expo at the Hilton San Diego Bayfront on Thursday, April 23. The events will include a special panel discussion with a group of inductees on hand, as well as the official induction event.

“Our third class of inductees to the DR Hall of Fame truly lives up to expectations,” says John Yarrington, publisher of *Response*. “With more than 40 nominees submitted by our Advisory Board and previous Hall of Fame inductees, the talents displayed by the members of this group again show the continuing leadership it will take to join the ranks of the DR Hall of Fame in the coming years.”

Here are brief biographies of this year’s inductees:

★ **Leslie Blodgett**, creator of bareMinerals, helped transform a nearly forgotten Bay Area-based bath-and-body retailer into a billion dollar cosmetic empire — with products now available in 34 countries at more than 6,500 points of distribution, including more than 200 company-owned boutiques. Recognized in 2014 as the first female recipient of WWD Beauty Inc.’s “Visionary of the Year Award” and lauded by *Inc. Magazine* as one of the “Top Entrepreneurs of the Decade: 2000-2009,” Blodgett has earned her influential position as a beauty industry magnate through a 20-year tenure at Bare Escentuals, redefining the norm for a beauty company and transforming Bare Escentuals into one of beauty’s biggest success stories ever. Through her trademark leadership style — including spearheading beauty’s first social brand — she trailblazed a new age of direct selling, pioneered unconventional marketing tactics, and invented the idea of community with her irrefutable bond with women around the globe.

★ **Maria Kennedy** leads one of the biggest direct response teams in the industry at Discovery Communications. She is a long-time member of the *Response* Advisory Board and has served on the Board of Directors for the Electronic Retailing Association (ERA) and the Electronic Media Marketing Association (EMMA). Under her leadership, the DR division of Discovery has grown to 13 U.S. Networks. She was also an integral player in launching the paid-programming



division on three of those networks. Kennedy, who began her career as a sales assistant in 1990, was the first to offer five-minute avails — that she calls “mini-mercials” — which started airing on the Discovery Networks 10 years ago. Among her career highlights to date, she lists: the rebrands and launches of BBC, Travel Channel, Investigation Discovery, OWN, Velocity, AHC, Destination America, Discovery Family and — most recently — Discovery Life; bringing the U.S. Hispanic long- and short-form DR and paid programming back in-house; and leading Discovery to be one of the first to sell VOD successfully. Under her leadership, the team is now selling digital, as well.

★ **Philip Kives** is president and founder of K-tel Intl. He was born on a small country farm near the town of Oungre, Saskatchewan, Canada — population less than 200 — in 1929 as the third of four children. In 1957, he moved to Winnipeg, where he had various jobs before he tried his luck selling cookware, sewing machines and vacuum cleaners door-to-door. In 1961, he and his brother Ted began pitching and selling products on the Boardwalk in Atlantic City. In spring 1962, Kives returned to Winnipeg and made a live, five-minute TV commercial for a Teflon non-stick fry pan. Sales took off at a remarkable pace, and he went on to market many other consumer products and — most memorably — music albums with great success. In the late sixties, Kives started K-tel. The company’s biggest selling product was the Miracle Brush, which sold 28 million units in the late 1960s. The company’s biggest music



seller is “Hooked on Classics,” which has sold more than 10 million copies — and is still selling today. By the early 1980s, K-tel had sold more than 500 million albums worldwide. Kives was inducted into the Canadian Professional Sales Association (CPSA) Hall of Fame in 2002.

★ **“Queen of Invention” Joy Mangano** is one of the most recognized and successful inventors and entrepreneurs in the electronic retailing industry today — and the mastermind behind a bevy of innovative products including Huggable Hangers®, the original Miracle Mop®, My Little Steamer®, and the Better Beauty Case. Mangano is the founder and president of Ingenious Designs LLC, an industry leader in designing, inventing and marketing innovative and unique products.



★ **Nancy Marcum** has been a key player in the DRTV industry literally since its inception — with the production of the 1984 hit “Get Rich With Real Estate.” Since that time, she has tested and rolled out more than 2,000 DRTV campaigns. Today, she is CEO of Marcum Media, where she specializes in helping entrepreneurs and small businesses sell their products through DRTV promotion. She is a founding member of the National Infomercial Marketing Association (NIMA), which today is known as the Electronic Retailing Association (ERA), a trade organization for the DRTV industry.



★ **Marianna Morello** is founder, president and CEO of New York-based Manhattan Media Services Inc. She has more than 30 years of experience in the direct response print



advertising industry, and — this year — Manhattan Media is celebrating its 20th anniversary. Her company created its own niche as the No. 1 DRTV print agency of choice, providing clients with the ability to capture their target audience with response-driven advertising. Her clients include TELEBrands, Ideavillage Products,

Tito’s Handmade Vodka, Moberg Pharma North America, David Oreck Candle Co., and many others. In recent years, MMSI has expanded from print to out-of-home (OOH), digital, radio and TV, becoming a fully integrated agency with its clients’ goals always taking first priority.

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Millennials' Time With Mobile Impacts TV Time

BY DOUG MCPHERSON

BOSTON — New research suggests Millennials appear to be spending significantly less time with their TVs and computers. Each day, 77 percent watch TV compared to 86 percent of Gen Xers, and whopping 91 percent of Baby Boomers.

Today, 77 percent of Millennials use a smartphone daily, says Millward Brown Digital. That far exceeds the mobile habits even of Gen Xers — 60 percent of whom check their smartphone daily.

Meanwhile, 58 percent of Millennials use their laptops or desktops at least once a day, compared to 67 percent of Gen Xers and 71 percent of Boomers. Tablet usage remains lower than other screens, with Gen X slightly leading the pack.

Joline McGoldrick, research director at Millward Brown Digital, said implications for marketers are clear: "With such marked differences across generations, marketers need to ensure that their ... investments match their audience's screen preference."

Other findings:

- ▶ All demographics prefer bigger screens when sitting down for tasks that require more than 10 minutes of their time.
- ▶ 81 percent of consumers across generations prefer to complete

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RESPONSE Q&A

Medved Reflects on DRMA Member of the Year Honor

By Thomas Haire (thaire@questex.com)

Rob Medved is CEO of Burlington, Wis.-based Cannella Response Television. On Dec. 9, Medved was announced as the winner of an industry-wide vote as the 2014 Direct Response Marketing Alliance (DRMA) Member of the Year. Recently, we caught up with him to discuss the honor, the direct response marketing space and more.

What does it mean to you and your company to be named the DRMA Member of the Year?

Rob Medved: I am honored to be recognized with this award, particularly because of how it reflects on the entire team at Cannella Response Television. We all take great pride in not only building business for our clients, but in advancing our entire industry in areas including research and overall professional standards. We are enthusiastic supporters of the DRMA and see it playing an essential role in helping to promote, unify and advance direct response through research and fantastic networking events. To be selected for this honor by my peers is truly humbling, and I greatly appreciate their recognition that Cannella is helping the DRMA achieve its goals on behalf of the DRTV business.

Why do you think your efforts and contributions to the DR business helped you earn this accolade?

Medved: Early in my career, I launched products with my business partner Frank Cannella, which gave me first-hand knowledge of the various business factors and decisions a marketer faces. That foundation served me well as it shaped my perspective on managing a DRTV media agency and how we operate. We are inherent problem solvers at Cannella, and we will collaborate with our clients and media partners on any of the business challenges they face. The Cannella culture is to be accessible, objective, innovative and results-focused. We try to provide genuine and constructive solutions. It is my hope that I am being recognized for the good work that Cannella has done



throughout the years and for being a good business partner. The way I handle myself is reflective of the company's philosophy. The more we can do for DRTV in general — and the more people we can attract to the space — the better off we all will be. Being innovative — and not complacent — is in my nature. It is said, "A rising tide lifts all boats." I'd like to think we have done our part in that respect.

What do you believe working with the DRMA does to create a better business atmosphere for you and the industry?

Medved: This is a close-knit industry that shares best practices more so than other industries. I credit the DRMA for nurturing an environment where success stories are shared and for facilitating information on a broad basis. We participate in DRMA events whenever we can and contribute our thoughts on industry topics. We benefit in return through the interactions and contributions of others.

What was the most significant accomplishment in the past year for your company?

Medved: No single accomplishment stands out from the others. I am very proud of the team we have at Cannella and the work they do — day in and day out. I have found in my 20 years in this industry, and at Cannella, that there are hits and successes that are easy to point to, but I've learned that it's the many small achievements performed each week that make us successful.

What is your outlook for your business in the next 12 months?

Medved: You'll see us continue to diversify into other forms of direct response, including short-form and digital. There are many tools, media channels, and creative forms available to direct marketers — and it's important to use them all in an integrated fashion. We remain bullish on the power of TV to cost effectively reach a mass audience, but the ancillary touch points are vital to closing the sale.

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Microsoft Exec: Programmatic Ad Buying to Thrive in 2015

BY DOUG MCPHERSON

NEW YORK — Esco Strong, the director of programmatic advertising at Microsoft, says programmatic will have an even bigger year in 2015 with heavy focus on automation and streamlining of operational pieces, not just the return on investment and performance aspects.

In an interview with *eMarketer*, Strong says he expects the industry will reach a point where deals and automated guarantees are driving more than half the programmatic market.

“The projected share of these methods is thought to be much larger than the open exchanges,” Strong says. “There

are still some operational hurdles and technology limits in terms of companies that haven’t built the necessary plumbing and interfaces that will make it easier for buyers to discover and purchase deals, but we’ll get there either this year or in 2016.”

Strong adds that advertising is still a business built on relationships: “There’s naturally some carryover in terms of the buyers and sellers wanting to have one-to-one relationships.”

He says one of the biggest drivers behind private deals is the ability for buyers and sellers to create custom prices, data and levels of transparency in a way

they can’t do in an open exchange.

“There’s this notion of a swim lane that allows sellers to open up more of their first-look or premium inventory — things they’ve been uncomfortable to sell through ad exchanges,” he says.

Among other trends Strong sees is the notion of pre-campaign insights. “Regardless of the campaign objective, folks are measuring everything they can,” he says. “A brand campaign is still looking at click-through, cost-per-conversion or targeted reach. That goes for all media buy types. In this type of environment, it



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Retail Sales to See Biggest Surge in Five Years, Says NRF

BY DOUG MCPHERSON

WASHINGTON — The National Retail Federation (NRF) predicts retail sales will rise 4.1 percent in 2015, up from 3.5 percent in 2014 — the biggest annual growth since 2011 when retail sales for the year increased 5.1 percent.

The NRF’s 2015 economic forecast, which excludes automobiles, gas stations and restaurants, says non-store sales in 2015 are expected to grow between 7 percent and 10 percent.

NRF chief economist Jack Kleinhenz said in a statement that the economy “appears to finally have gained some real traction and after a somewhat turbulent 2014.” He added that the NRF expects to see continued gains in economic activity in 2015.

“While Americans are benefiting from a pickup in wages and jobs and gains in the U.S. stock market, economic slack has been reduced,” Kleinhenz said. “We still have a ways to go to achieve sustainable economic growth. There are a few wild cards that the retailers will need to keep an eye on, like global economic growth, energy prices and inflation.”

NRF President and CEO Matthew Shay added, “While our outlook for the year ahead is positive, we aren’t quite out of the woods; in order to see continued momentum we need a commitment from our leaders in Washington to pass legislation that will encourage investment, create jobs and set us on the path towards sustained, long-term economic growth.”

NRF also predicts that a baseline outlook for growth in the economy as measured by GDP is expected to land between 2.7 percent and 3.2 percent higher than last year. Growth in the labor market should average between 220,000-



230,000 new jobs per month throughout the year, as unemployment is expected to drop to 5 percent by year’s end. Additionally, gains in equities and housing have boosted net worth to record levels, helping consumers feel more confident about household spending.

Millennials’ Time With Mobile

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five-minute tasks via smartphone. That number drops to 43 percent for tasks that take between 10-20 minutes — indicating even mobile Millennials prefer laptop/PC for many high-involvement tasks.

▶ Millennials spend more time consuming content on new media platforms such as Netflix and YouTube, while Boomers are more TV-centric. Gen Xers continue to fall in between.

Worldwide, advertisers will spend \$64.3 billion on mobile this year — up 60 percent compared with 2014 — by *eMarketer*’s estimate. By 2018, the research firm posits, advertisers will shell out \$158.5 billion on mobile, or about 22 percent of all ad spending.

The study, conducted online, surveyed more than 1,000 respondents in the U.S. who own or have access to a smartphone or tablet.

NEWS CORNER



RYAN CONROY



MIKE CONSTANTINO

DECADES, the new multi-cast TV network from Weigel Broadcasting Co. and CBS Television Stations, announces that Emmy and Peabody Award-winning journalist **Bill Kurtis** will host the network’s new daily one-hour original series, “Through the Decades.”

Northern Response Intl. Ltd. reports its aggressive expansion into U.S. retail continues with its best-selling silicone baking mat Pyramid Pan going into Walmart. The Pyramid Pan is a non-stick baking mat with silicone pyramids that allows your food to rest above the bottom of the pan for more even cooking with little or no turning.

Hawthorne Direct, a creative, analytics and technology-driven advertising agency, announces that CEO **Jessica Hawthorne-Castro** is sole owner of the company, effective Jan. 1. Tim Hawthorne, founder and former chairman/CEO, will continue with the company as a board member and strategic advisor. Hawthorne-Castro, who became CEO in May 2014, joined the agency in 2007.

Turner Broadcasting is consolidating its TV networks’

upfront events into one show to highlight its ability to reach audiences through data-driven ad tools. The event will be May 13 at the Theater at Madison Square Garden and will feature TNT and TBS, as well as Cartoon Network, Adult Swim, Boomerang, TruTV, CNN, HLN and Turner Sports.

R2C Group launches a new campaign for *ChristianMingle.com*, the online community for Christian singles. Entitled “The Power of Two, United in Faith,” the campaign debuted January 19, and is appearing nationally on cable, network, syndication and through various digital executions.

Newton Media partners with **The 700 Club Interactive** to expand its reach to a variety of Christian television networks. “Newton Media is honored to work alongside CBN to find the right networks and time slots to share this important message to viewers nationwide,” says Steve Newton, the company’s founder and president.

Concepts TV Productions wins three International Cinema In Industry (Cindy) Awards for

three DR campaigns it produced: a bronze for BeActive; a bronze for Purrfect Arch; and a silver for Glow Candles.

Ryan Conroy joins **CoreMedia Systems**, a direct response media management company, as director of performance media where he will work to expand the company’s strategic partnerships.

For a second consecutive year, the Greater Beverly (Mass.) Chamber of Commerce recognizes **Blue Vase Marketing** as a top-5 nominee for large business of the year. The category recognizes a local business with a record of longevity, stability and success that demonstrates community consciousness with community involvement. The company also announces it will be providing marketing and customer service support for the new fantasy sports website *draftdemons.com*, which launched Feb. 15. Blue Vase Marketing will also use its association with NASCAR to help bring NASCAR to fantasy sports contests. As a thank you to friends in the industry, Blue Vase Marketing has arranged a 100-percent deposit match for *Response Magazine* readers.

When signing up, just use promo code: **RESPONSE**

Japanese direct marketing leader **TV Shopping Laboratory (Direct Teleshop)** generates a global viral hit video for Thane Direct’s cookware brand Flavorstone. Direct Teleshop, which licensed Flavorstone Cookware from Thane Direct for the Japanese market, produced a quirky infomercial TV campaign that has garnered more than 1.6 million views on YouTube to date.

SingleComm, a provider of contact center technologies, announces the availability of the latest version of its enhanced scripting and data export tools in the SingleComm contact center platform.

Global digital media and content marketing company **brand new media** names industry veteran **Mike Constantino** as managing director of its operations in the Philippines.



InfoTech, a software house and system integrator, unveils its new logo and color design with a new font and a more energetic color combination. The first InfoTech logo was created in 2004.

2015 DR Hall of Fame Inductees Announced

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★ **Mark Rosenzweig** is founder and CEO of Euro-Pro Operating LLC. He founded the company in 1997 in Montreal and entered the U.S. market in



1998. He plays an integral role in the design and development of all Euro-Pro products. Rosenzweig is the creative force behind the company's successful direct response advertising campaigns, often acting as host in dozens of infomercials over the years. His Shark and Ninja brands have become household names, and company sales now exceed \$1.5 billion in annual revenue. Prior to Euro-Pro, Rosenzweig worked in the entertainment industry. He holds a B.A. in psychology, and a B.S.C. in economics from the University of Pennsylvania's Wharton School of Business.

★ Forty years and 3 million pounds later, **Richard Simmons** is still using his unique wit, passion and enthusiasm to continue his crusade to reach out to the masses,



encouraging them to take control of their fitness destiny. Simmons has helped millions of overweight men and women lose more than 3 million pounds combined. In 1974, after consulting with doctors and nutritionists to ensure the safety of a program tailored to the needs of everyone, Simmons established an innovative place where the overweight of the world were welcomed with open arms. He still teaches there today: SLIMMONS in Beverly Hills. His success as a fitness expert and advocate led to numerous local and national television and radio appearances and his own nationally syndicated series, "The Richard Simmons Show." His 65 fitness videos, which have sold more than

20 million copies, pair lively music with rocking routines and Simmons' humorous banter and encouragement. His titles include "Sweatin' to the Oldies," "Dance Your Pants Off," "Party Off the Pounds," "Disco Sweat," "Blast Off the Pounds," "Platinum Sweat," and "Sit Tight." Simmons averages some 250 days on tour each year and considers himself fortunate to come face-to-face with hundreds of thousands of people.

★ Entrepreneur **Anthony "Sully" Sullivan**

is the founder of Sullivan Productions. He has helped develop some of the world's most successful household



brands and launched countless new products that have accounted for more than \$1 billion in sales in more than 60 countries. Perhaps best known as the spokesman for OxiClean and the co-star and executive producer of Discovery Channel's television series "Pitchmen," Sullivan's Clearwater, Fla.-based production company is also a force behind the camera. With a magic touch for direct response marketing, Sullivan's behind-the-scenes talents continue to be highly sought after by well-known household names. He launched OxiClean with the late Billy Mays in 1998 and continues to work with companies and brands including Nutrisystem, Arm & Hammer, TELEBrands, Smart Inventions, Ideavillage Products, Ingenious Designs, Swivel Sweeper and Ped Egg Power. Well-trusted by a wide consumer base, Sully himself continues to be the spokesman of choice for dozens of innovative, practical usage consumer products including the X5 — 5-in-1 Steamer, the Sticky Buddy and Smart Mop.

★ Retail expert and leader **Bob Todd** started Leisure Marketing in 1973 as a sporting goods salesman representing

Puma. He became involved with the As Seen On TV business starting with Ambervision sunglasses from TELEBrands in 1984 as the company's first salesman. He then added both Fitness Quest and EZ Glider to his product stable. His focus changed at that point to become a national As Seen On TV product rep as the industry evolved in retail stores. He's been involved with many of the biggest items ever in the DRTV industry, including: Thigh Master, Trim Spa, Perfect Push Up, Shake Weight, Magic Bullet, Wonder Hanger, the Jack La Lanne Juicer and more.



★ Earning posthumous induction are **Lowell "Bud" Paxson** and **Roy Speer**, co-founders of HSN. In 1977, an advertiser at WWQT-AM, Paxson and Speer's Clearwater, Fla., radio station, who couldn't pay his bill offered them more than 100 electric can openers as payment. They announced on the air that they would sell these \$30 can openers for \$10 each to anyone who would come to the station with cash. Every can opener sold in less than three hours. A dynamic duo — with Paxson as the marketing wizard and Speer as the experienced attorney and lobbyist with connections — they launched The Home Shopping Club in 1982. Eventually, that became the Home Shopping Network. By 1985, HSN was grossing \$1 billion annually. Paxson left HSN in 1991 and formed Paxson Communications, while Speer resigned as chairman two years later. Paxson, who eventually saw his communications company become ION Media Networks in 2006 and is a member of the Broadcast & Cable Hall of Fame, passed away in January. Speer passed away in August 2012.

To be a part of the induction ceremony on April 23, register to attend Response Expo today at responseexpo.com.