



AGE OF THE

ENTREPRENEUR

Through his hit TV show *The Big Idea* and a new book, Donny Deutsch offers can-do strategies to a new crop of entrepreneurs.

*by Judy Alexandra DiEdwardo
photography by Dave Moser*

The unfinished cement floors and 15-foot exposed ceilings of Deutsch Inc. headquarters in lower Manhattan belie the savvy \$2.8 billion advertising empire ranked among the country's top 10. Raw, edgy, primitive. The cavernous space encompasses an entire city block within which a colorful parade of iPod-wired, blue jean- and flip-flop-clad 20-somethings use kick scooters to navigate the 143,000-square-foot maze of cubicles. Not a Manolo Blahnik in sight.

But this is no ordinary advertising company, nor is its eponymous leader an ordinary businessman. In fact, Donny Deutsch considers himself more of a "spiritual leader," overseeing his 1,000-plus employees rather than a buttoned-up company chairman. After all, doing the unexpected, the uncharted, the outrageous, is what the Deutsch brand personifies.

"Branding is all about discovering and staying consistent to a core value," he says of the global success and industry reputation garnered through his advertising company and hit CNBC television show, *The Big Idea with Donny Deutsch*. "Take Madonna, for example. She is committed to unique, cutting-edge sexuality in her music, clothing, attitude. Even at age 50 she is still true to her brand. Donald Trump? His brand is all about being No. 1, best of class. Find your brand, hone it and stay true to it."

Emblematic of the Deutsch brand: When pitching for a regional car dealer account Deutsch shipped an assortment of individual car parts every half-hour for a 12-hour period to the residence of the man in charge of awarding the contract. Each part was tagged with a different message: We'll Give You Bright Ideas (headlight); We'll Protect Your Rear End (fender); We'll Steer You in the Right Direction (steering wheel). In all, 24 car parts and 24 phrases.

The bold move was an instant hit with the client and a poignant turning point for Deutsch, who had been struggling against convention to find his voice. At 26, he found his passion, his brand, finally unleashing his high-voltage personality and razor-sharp business acumen.

"People think creativity is the best version of the current thing," Deutsch writes in his 2005 book, *Often Wrong, Never in Doubt: Unleash the Business Rebel Within*. "I disagree. I'd rather do something fresh and put my client on the line than knowingly do derivative work. I want something with a different flavor to it, the 32nd flavor of Baskin-Robbins, the 58th variety of Heinz. I tell our people, go where tomorrow is. Let everybody else catch up."

BUILDING A BRAND

Born Nov. 22, 1957, in Queens, New York, Deutsch majored in marketing at the prestigious Wharton School of Business and graduated in 1979 with honors. There, he learned the tenets of business while fueling his hunger to succeed. But harnessing and fine-tuning Deutsch's creative trajectory was another matter.

A decade earlier, his father had undergone a metamorphosis of his own and created a springboard of opportunities for his son. David Deutsch was a talented Madison Avenue art director for the country's most prestigious advertising agencies throughout the 1960s. He grew discontent with the suffocating corporate mentality and, in 1969, opened David Deutsch Associates. The new open environment was fertile ground for the high-caliber design for which he was renowned.

With a keen business mind and a natural hunger for a competitive way of thinking, the younger Deutsch also set his sights on a career in advertising. Finding the right fit was far less certain. He joined Ogilvy & Mather's executive training program briefly, but was stifled by its conservative approach, paralleling his father's experience years earlier. "It was there that I learned everything that I *didn't* want to do in life," Deutsch says. "I could never exist in a corporate culture. If this was how corporations functioned, I knew I would have to create my own."

In 1983 Deutsch hesitantly joined his father's company but was fired six months later. Executing others' ideas was a poor fit for the budding entrepreneur. Deutsch stumbled around for six months and was even accepted at George Washington Law School. But he halted



In Control
Deutsch flourished when he set his own career path to success.

"When failure is just not an option, what better motivation is there to succeed?"

that pursuit when his father expressed a desire to sell David Deutsch Associates. Donny Deutsch saw the opportunity to create something of his own within his father's company, persuaded him not to sell and to give him a greater role, creating his own brand with fresh new accounts.

"For the first time I was ready to take on that responsibility, but I needed to be backed into a corner, to have it all rest on my shoulders, in order to get motivated," Deutsch confesses. "It was my moment of truth. It was time to put up or shut up."

The pressure paid off and Deutsch found a home for his spirited ideas, which began with the regional car dealer account that Deutsch won with his outrageous antics. That account paid \$400,000 a year in fees, four times the size of their largest client at the time. Others soon followed. By 1989, about five years later, billings at the agency had grown to \$75 million. The father-son team was like greased lightning.

"There's something to be said when it's all on the line, when it all depends on you," Deutsch says of his rise in confidence and success. "It can be really rough; like the entrepreneur who struggles to pay the bills. But when failure is just not an option, what better motivation is there to succeed?"

In 1989 David Deutsch stepped aside, retiring the following year. His son settled in and took the helm as CEO at Deutsch Inc. ushering in an entire agency image change that would rock Madison Avenue.

“Successful people are not afraid of failure because they know that failures bring about successes,” Deutsch says. “And failures are springboards to even greater success, not just obstacles to overcome. Successful people know how to turn their failures into opportunities, opportunities that would not have existed otherwise. I have had many. And what I learned from them has been invaluable to my success.”

One of Deutsch’s most prominent successes was the Swedish furniture emporium IKEA, for which he created a groundbreaking and controversial TV campaign featuring a gay couple shopping. The bold commercial won acclaim for its vision and put Deutsch Inc. on the map. Other big-name accounts followed, including Johnson & Johnson, General Motors, DirecTV, Novartis, Expedia, Mitsubishi, Revlon, Bank of America, Pfizer and, during the 1992 presidential campaign, Bill Clinton.

Deutsch Inc. won *Adweek* magazine’s Agency of the Year award in 1998, 1999, 2001 and 2002. In 1995 Deutsch Inc. expanded operations to the West Coast, opening an office in Los Angeles.

Over the next decade, Deutsch honed his talent and touch, learning to surround himself with smart, ambitious people and branding his unique vision of the world.

In November 2000, Deutsch Inc. was sold to the Interpublic Group of Companies for just under \$300 million, while Deutsch remained its CEO until ceding the reins five years later. Now as chairman, he guides a talented and loyal team with Linda Sawyer, CEO; Val DiFebo, president of Deutsch New York; and Eric Hirshberg and Mike Sheldon, co-presidents of Deutsch L.A.

“We have all been together for years,” says Deutsch of his seasoned and savvy management team. “These are the people who helped build this place, so I’m more of a spiritual leader at this point.”



Hot Spot
Deutsch interviews big-name guests such as Bill Gates.

Antonio Gonzales / © CNBC / Courtesy: Everett Collection

How to Find Your Passion

Deutsch’s 5 Tips

Everyone is passionate about something, whether it’s cooking in the kitchen, working in the garden, organizing people or doing personal wardrobing, Donny Deutsch says. “A talent producer for our show dreamed of starting an image consulting business but did not know where to start. I suggested she take the next 10 weeks to develop a portfolio of satisfied clients by shopping for 10 different friends for free. By the 11th week, charge \$500. A year later she resigned to start her own company,” he says. “Our farewell gift was to give her a segment on the show!”

Zeroing in on that spark is the trick, Deutsch says. “Find it, fine-tune it and follow it. Start somewhere and do something. Take action today. Ask yourself these five questions:

1. What did you love as a kid?
2. What was your best day and what were you doing? What did that involve?
3. Who are you jealous of?
4. What would you do even if you weren’t being paid?
5. What would your script read if you were its author, no holds barred?”

Overcoming Obstacles

Four Reasons We Fail

1. **Fear of failure:** “Know that you *can* afford to fail,” Donny Deutsch says. “And failure will happen. Count on it. But failures bring about successes. Risk is all about trying, getting in the game. You can’t succeed if you are not in the game.”
2. **Lack of confidence:** “Decide that you are confident, and have a more playful, less serious attitude about life. Most successful people have this attitude.”
3. **Lack of passion:** “Without passion and the excitement, energy and motivation it creates, it’s hard to be successful. Then it’s just work. And that’s not fun. I’ve seen hundreds of people who have turned their great ideas into millions. They all share one common theme. They have passion about what they are doing. In that sense they are doing what they love.”
4. **Naive sense of entitlement:** “This attitude is one of the biggest obstacles to success, thinking you are deserving of something. Most successful people have humility and a genuine sense of appreciation for the opportunities they are given.”

for CNBC, who envisioned creating a business show that delivered unprecedented authenticity. “I did not want to hear from anchors hosting a show. I wanted to hear straight from the mouth of someone who knew the inner workings of the boardroom and beyond. Our viewers are educated and smart. They know that Donny is the real deal,” Krakower says. “The American Dream is about going for that big idea, breaking the rules and going forward. Donny is so authentic because that’s where he comes from.”

Since its launch, *The Big Idea* has undergone numerous refinements. Its original focus featured interviews with entrepreneurs large and small, from Bill Gates and Martha Stewart to Atlanta saleswoman Sara Blakely, who invented a hosiery product now worth millions. The format of the hour-long show “now has greater utility, greater value to the viewers, who can learn from people like them, and call in for help with their business dilemmas,” Deutsch says.

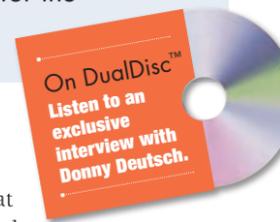
In a recent taping, almost 20 people were featured, each looking for specific advice. From a trucker whose business was growing faster than he could handle to a frame shop owner who was losing money because of habitual discounting to a record company owner whose musicians weren’t showing up for recording sessions. Each received practical direction from Deutsch and his guest panel of successful entrepreneurs, who encouraged each of them to keep him posted on their progress.

“Our show hits a nerve,” says Deutsch, who is happy about the mentorship he is able to provide. “Viewers see people who they can identify with, who put one foot in front of another and don’t let their inner voice of doubt win. We get hundreds of e-mails, calls and letters after every show and people are asking for two things: inspiration and utility. And that’s what we deliver.”

Marrying television and Internet, the show solicits viewers’ questions via *The Big Idea* Web site and blog. Using the Internet as an integral part of the show was a natural adjunct, Krakower says. “People are watching television with their computers on their lap because the computer gives an added value; it takes them deeper,” she says.

Viewers are selected for specific show topics, which are posted on the Web site daily. In each case, Deutsch offers up concise, proactive solutions, advice and direction, and encourages viewers to update him on their success.

Some even ask for tough advice, which Deutsch is happy to deliver. “I had a man call the show to thank me for some very tough, in-your-face advice I had given him six months earlier—feedback that most people would not have wanted to hear,” says Deutsch, who



A NEW MEDIUM

On a morning last summer, our entourage gathered at Deutsch Inc. headquarters for a daylong photo shoot and interview spotlighting its chairman and star attraction. Donny Deutsch’s frenetic schedule would take us from Deutsch headquarters to the CNBC studio 30 minutes away in New Jersey where *The Big Idea* is taped each weekday afternoon.

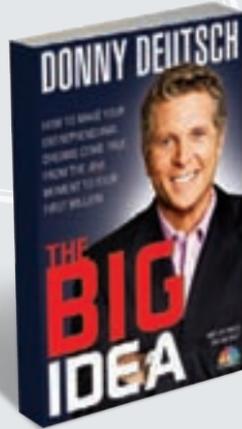
The show came about after his regular appearances as branding and advertising expert for the *Today* show, and guest-host spots on two of CNBC’s stalwart business shows began placing Deutsch in front of the camera with greater frequency. It proved to be an ideal marriage. Deutsch captivated audiences with his disarming wit and intelligence, good looks and thousand-watt smile. So much so that, in 2004, CNBC producers invited Deutsch to harness his vetted industry know-how and craft *The Big Idea*, which airs weeknights.

For this, he trades in his signature Earnest Sewn blue jeans and untucked Alfred Dunhill dress shirt for a sleek, chalk-striped, navy Ralph Lauren suit and Gucci loafers that transform his buffed 5-foot-10-inch frame into the powerhouse image that is Donny Deutsch. Balancing BlackBerry and reading glasses in hand, he appears perpetually poised for the next thing. No mistake that “Go get ‘em, kid” is his hallmark mantra.

“Donny is the epitome of the American Dream, the mouthpiece of America, who truly wants everyone to succeed,” says Susan Krakower, vice president, strategic programming and development

Calling All Dreamers Get Going with Your Million-Dollar Ideas

by Donny Deutsch
with Catherine
Whitney



- A carpenter gets tired of almost losing a finger whenever he slices a bagel. Bam! Bagel Guillotine.
- A homemaker is frustrated that her pantry is full of stale food because the packages don't stay closed. Bam! Quick Seals.
- A woman is annoyed that her bra strap keeps slipping. Bam! Strap Tamers.
- A nutrition-conscious couple wants frozen foods that aren't junk. Bam! Amy's Kitchen.
- A mother is worn out from chasing down runny-nosed kids. Bam! Boogie Wipes.
- A stylish lady is fed up with visible panty lines. Bam! Spanx.

Big ideas are all around us. Every day I meet people who have come up with innovations that nobody ever thought of before. In each case, the idea grew out of a need, something that was missing, a frustration—a desire to make life a little easier, a little better. These are slap-yourself-on-the-side-of-the-head obvious ideas. But it took people with the desire and motivation to see them through.

If you're sitting on a big idea right now—an idea that could make you millions—it's time to get moving. Don't let anything stop you. Don't let anyone dismiss your idea and tell you that your dream won't work. When in doubt, do.

A 12-STEP PROGRAM TO LAUNCHING YOUR BUSINESS

1. Write Your Mission Statement
2. Describe Your Product or Service Area
3. Conduct Market Research
4. Create Your Business Plan
5. Build Your Network
6. Formalize Your Idea
7. Create a Prototype
8. Hold Focus Groups
9. Find a Manufacturer and Distributor
10. Launch Your Web Site
11. Publicize Your Idea
12. Pitch Potential Suppliers/Customers

Excerpt from *The Big Idea: How to Make Your Entrepreneurial Dreams Come True*, from the Aha Moment to Your First Million, *Hyperion 2009*

“I tell our people, go where tomorrow is. Let everybody else catch up.”

believes in being honest, not mean. “People appreciate when you tell them the truth about what they are doing wrong as long as you give them positive direction.”

PERSONAL BEST

Deutsch's high-voltage energy and hyperawareness are quite natural—he proudly acknowledges it's more the byproduct of attention deficit disorder than caffeine. His morning iced coffee (with skim milk and Sweet 'N' Low) and large Diet Coke while on the set wouldn't get most people through such a busy morning.

“I'll bet you'll find that most highly successful people have ADD,” he smiles, his blue eyes flashing. “I'm all over the place!” Which is why three energetic assistants and a tightly managed daily schedule are critical to keeping DonnyWorld running smoothly.

“I have very specific rituals for myself and several assistants to keep everything in order and on schedule,” he says. Awake by 7:30, followed by breakfast an hour later at a nearby restaurant, where six egg whites with American cheese await him. He is in the office by 9 a.m. for about an hour each day, at the CNBC studio by 11 a.m. for pre-production meetings and the show's taping, and then finished by 3:30, when he returns to Manhattan to be with daughters from a previous relationship, Daisy, 1, and London, 5, who live 10 blocks from his Trump Park Avenue apartment. A third daughter from a former marriage, Chelsey, 21, is a senior at Syracuse University. On many days, London joins him for breakfast; then he takes her to school.

Aside from being a devoted father, Deutsch is an avid runner (his iPod plays everything from Sinatra to 50 Cent), covering four to five miles several days a week before meeting a standing 7:30 dinner reservation with friends at one of a dozen top Manhattan bistros. He is usually in bed by 11:30 p.m.

“I'm a total creature of habit,” he says, smiling. “Rituals like these help give order and sense to my life. Without them I would be lost.”

Deutsch will trade in the Trump address once work is completed on his six-story townhouse between Fifth and Madison. Also new to his real estate portfolio is a property off of East Hampton's ultra-elite Further Lane. Those close to him admit these extravagances are uncharacteristic of Deutsch, who leads a pared-down life relative to his net worth.



Down Time

A father of three, Deutsch makes sure to spend quality time with each despite his busy schedule.

See video
with more
big ideas

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Despite his busy schedule, Deutsch serves on the University of Pennsylvania's School of Social Policy & Practice Executive Committee and on the Board of Directors of the Michael J. Fox Parkinson's Foundation. He is also managing partner of Deutsch Open City, an independent production company that has produced several acclaimed independent films, including the 2007 thriller *Awake*, starring Hayden Christensen, Jessica Alba and Terrence Howard, for which he was executive producer.

THE DEUTSCH MARK

Not surprising, Deutsch's popularity and success in television continues to grow. He is doing for television what he did for the advertising business 20 years earlier when he retooled his father's agency into a hip, edgy empire.

Not a bad way to fend off a midlife crisis.

He appears regularly as advertising industry trend expert for the *Today* show, *The View*, *Hardball with Chris Matthews* and *Charlie Rose*, among others. In May he launched a *Big Idea*-

branded segment on the *Today* show featuring aspiring entrepreneurs, called, “There's Gotta Be a Better Way.” The segment, which will recur regularly, is vintage Deutsch. It pairs blunt, no-nonsense advice and road-tested business strategies with his trademark personality.

Time will tell how Deutsch will continue to influence the media of television and the Internet, redefining the traditional business show model by connecting to the small or aspiring businessperson with practical advice and direction. Moreover, Deutsch is inspiring a new generation of entrepreneurs by affording unbridled, interactive access to invaluable information, resources and professional coaching. He has created a universal how-to. Deutsch also has finished a new book. *The Big Idea: How to Make Your Entrepreneurial Dreams Come True, from the Aha Moment to Your First Million* is due out in January.

“I love watching and helping others find their passion and succeed in life,” Deutsch says. “And I love sharing what I know to help them get there.” **S**