



Johnson & Johnson



OmnicomGroup

The  
WALT DISNEY  
Company



SONY



# Omnicom Group Inc (Ticker : OMC)

**Keaton Duchow & Su Qian Ng**

**Omnicom**Group

**Chase Lawinger, Ted Bauer, Tyler Eckert**

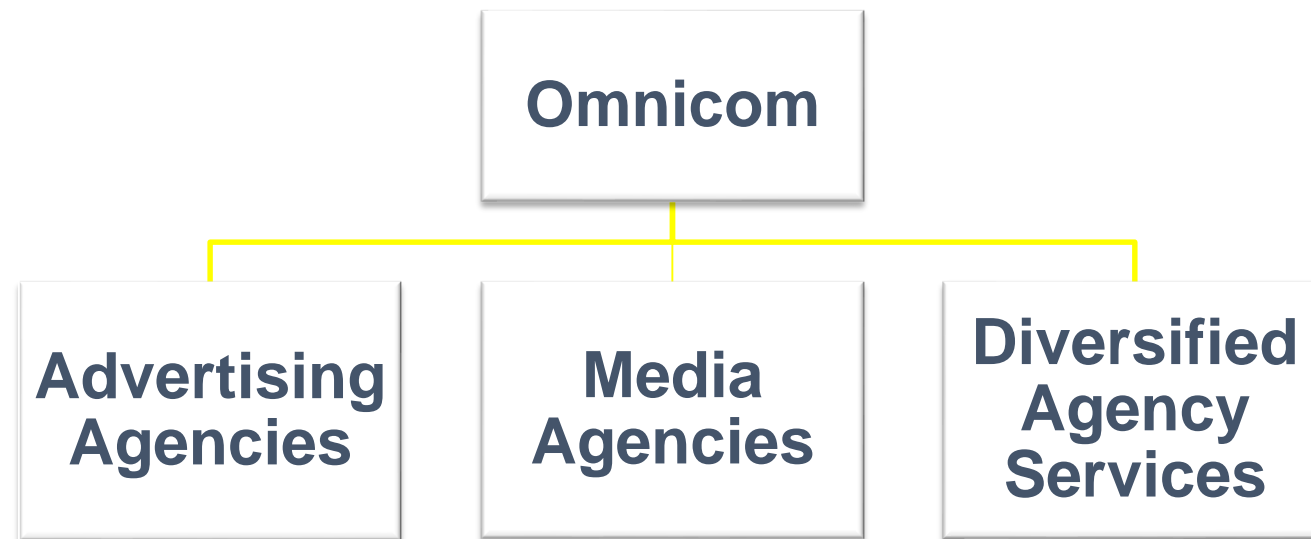
# What is Omnicom



**Global Corporate Media  
Services Conglomerate**

**3 Business Networks**

**“Produce brilliant creative  
ideas that drive business  
results for clients”**



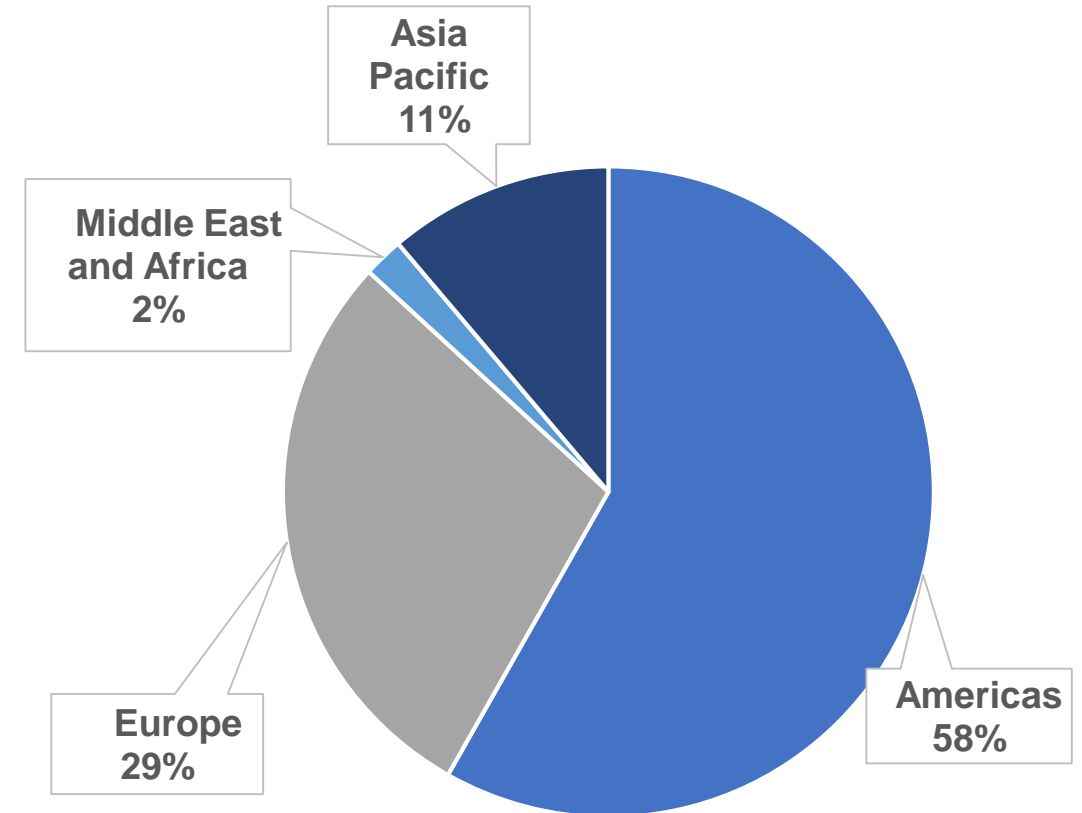
# Global Business Areas



5000 Clients

100 Different Countries

4 main services

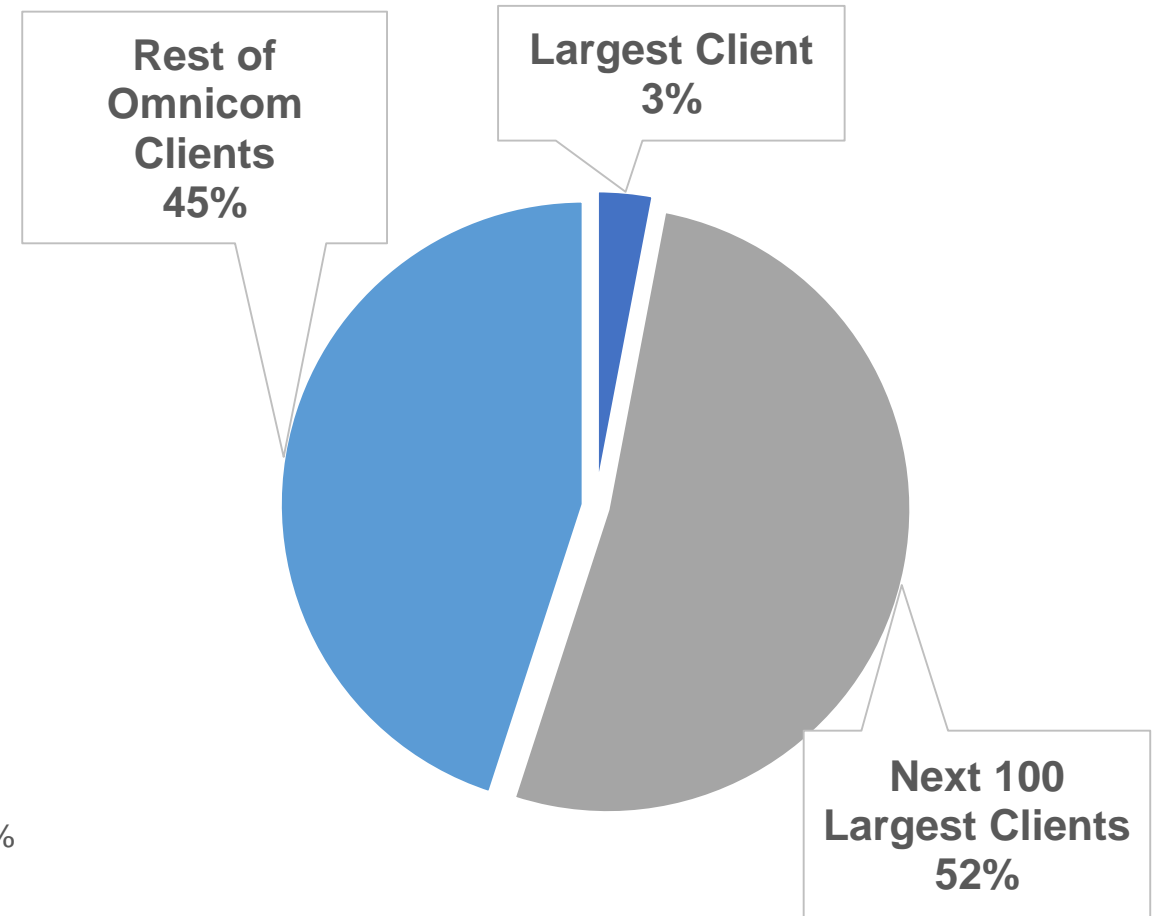
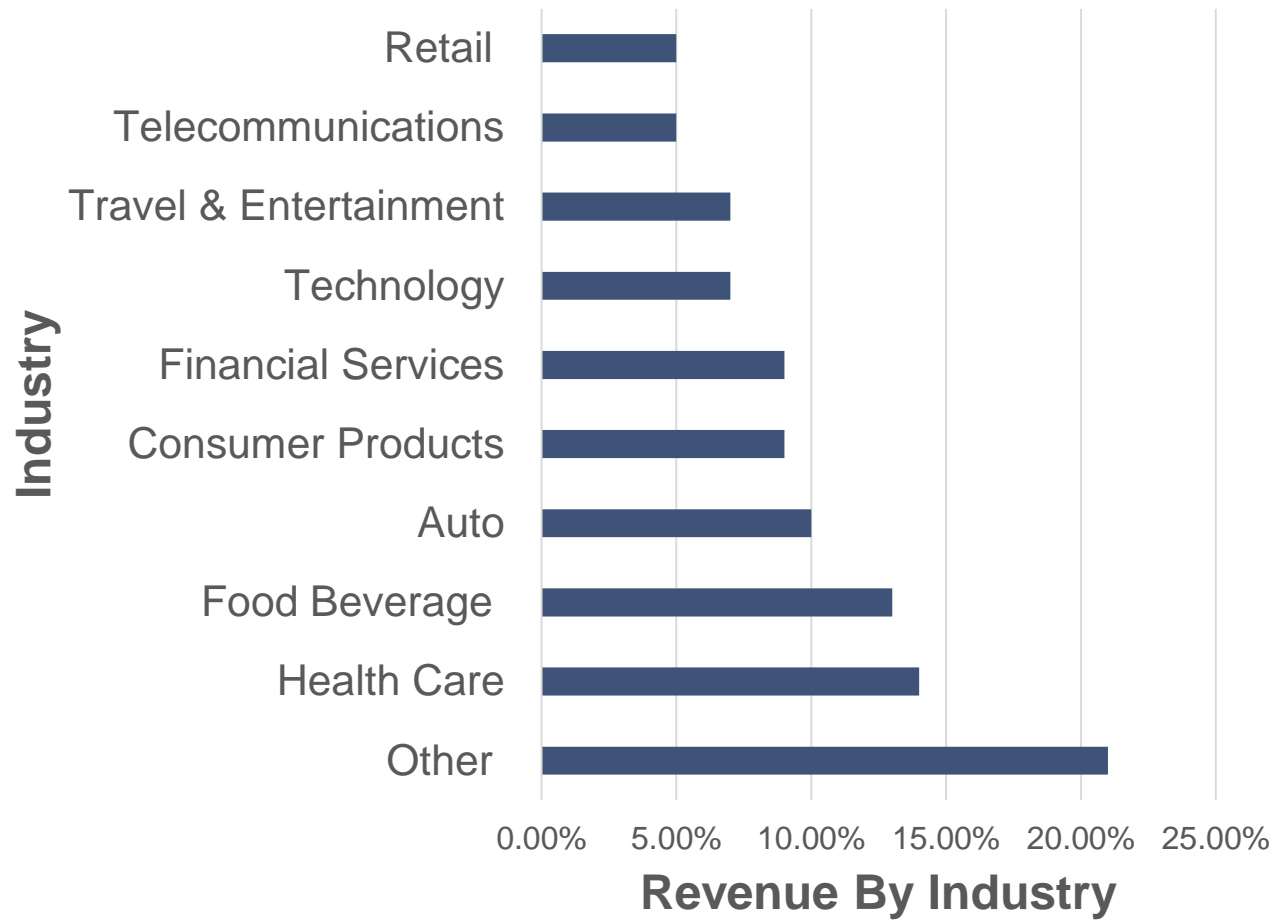


# OMC vs. S&P500



OMC S&P 500

# Revenue Distribution





# Investment Thesis

**Omnicom**Group

# Key Drivers



Direct and Personalized Content

2020 Marketing Boom

Organic Growth



**Omnicom**Group



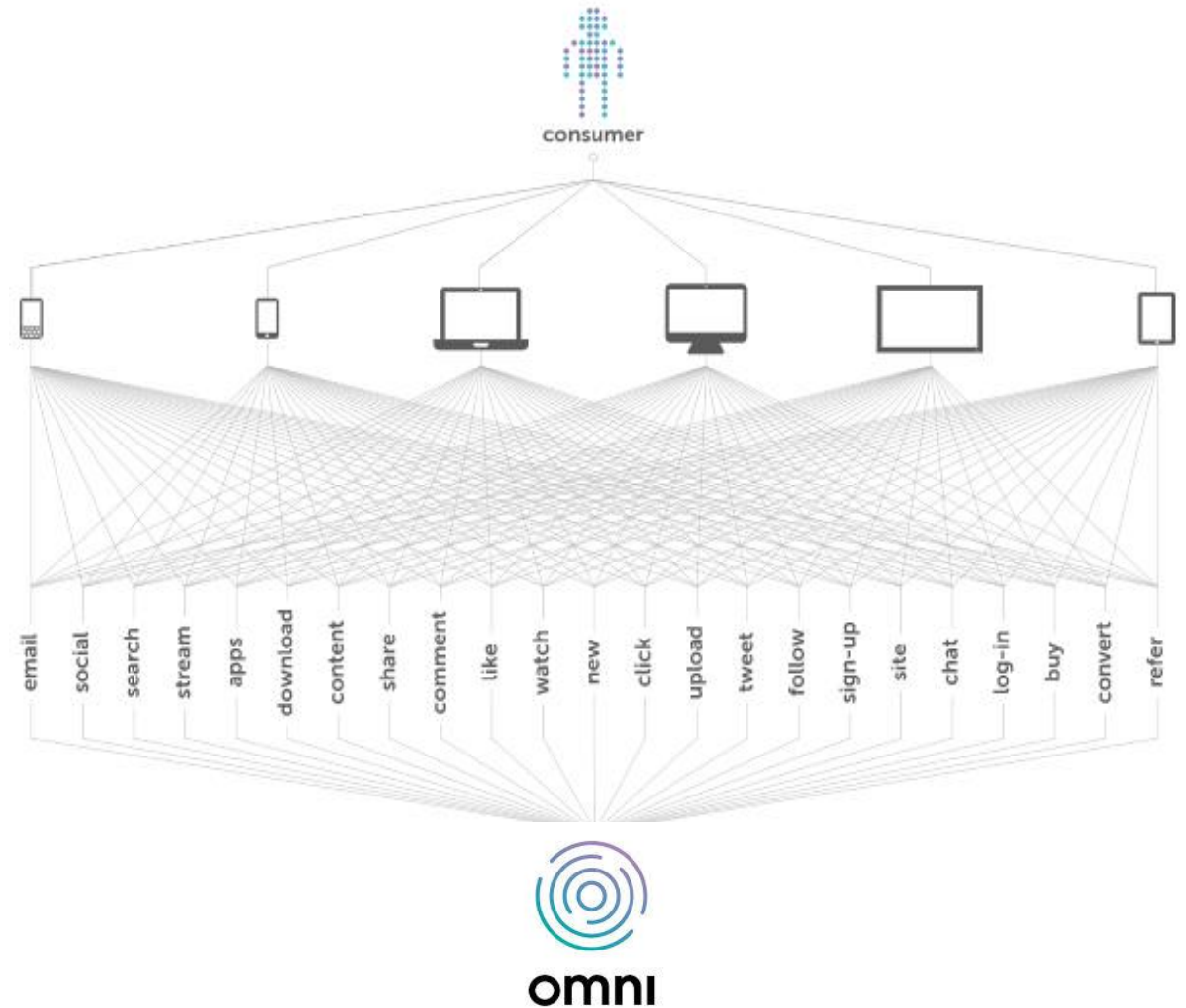
# Personalized Advertising



People-based  
marketing platform

Neutrality

Behavior Mapping



# 2020 Marketing Boom



2020 Elections

Summer Olympics

Disney Deal



The  
*WALT DISNEY*  
Company



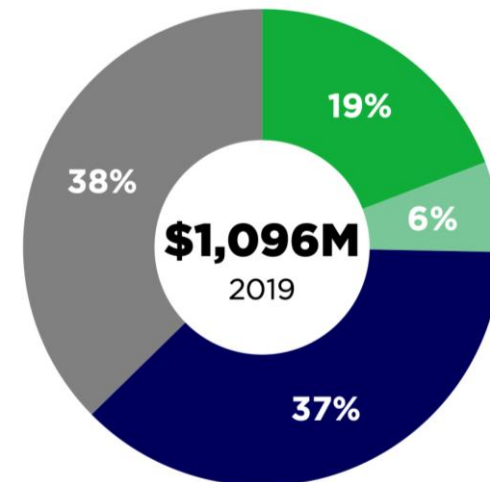
# Organic Growth



E-Sports Marketing

Healthcare

North America  
will generate  
**\$409M**  
in 2019, or 37% of global  
esports revenues



● CHINA ● S.KOREA ● NAM ● REST OF WORLD



# Opportunities

**Omnicom**Group

# Technology Advancements



Virtual Reality

5G

Artificial Intelligence





# Risks

**OmnicomGroup**

# Risks



Brexit



Budget Cut

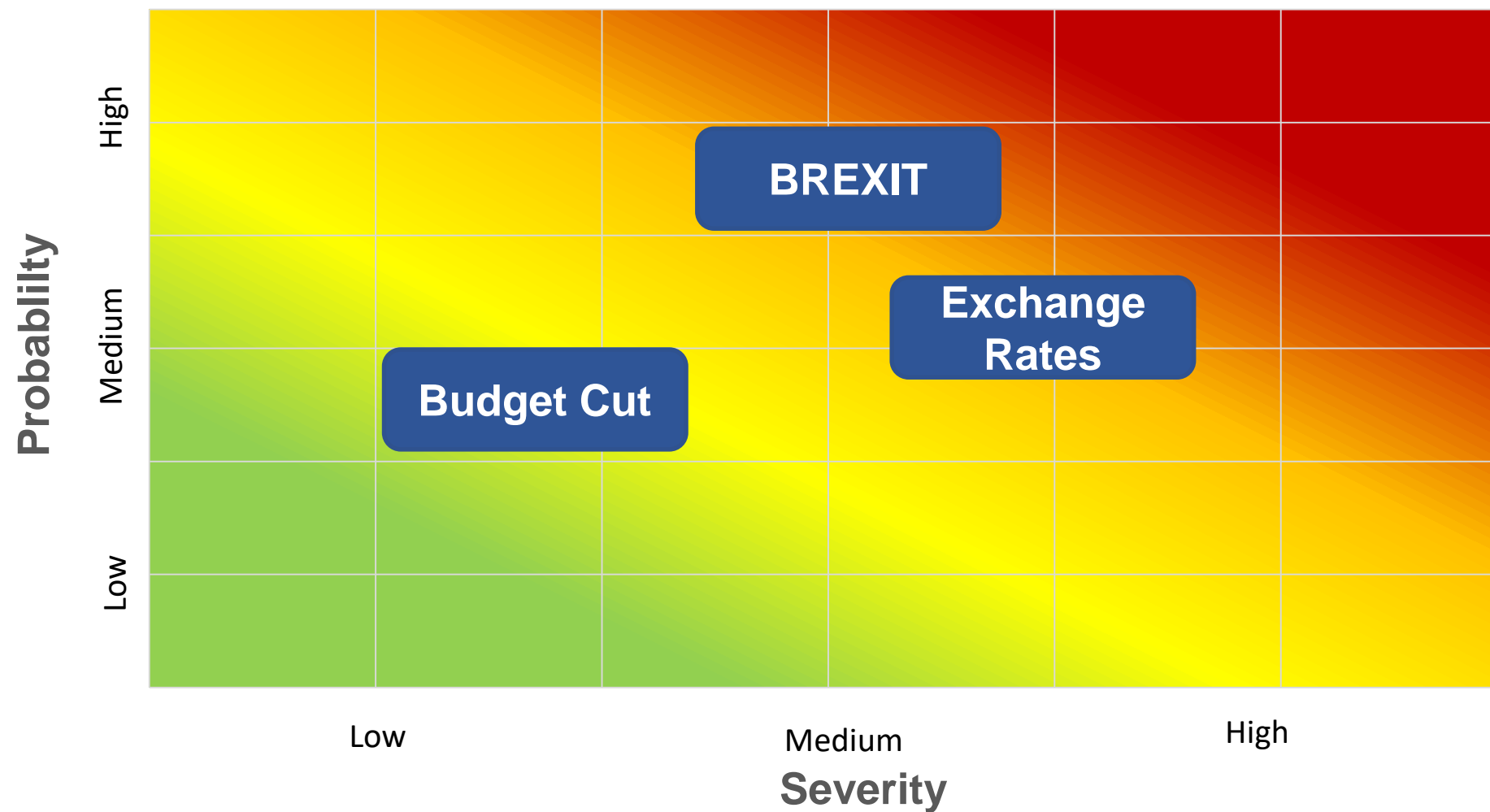


Exchange Rates

A photograph of a digital financial market display showing exchange rates for various countries. The display is dark with red and white text. The countries listed are Canada, China, Euro, Japan, Singapore, Hong Kong, New Zealand, and MYR. The exchange rates are shown in two columns, with the first column showing the current rate and the second column showing a previous rate.

CANADA	CAD	0.9512	0.8883
CHINA	CNY	7.3169	6.0910
EURO	EUR	0.6644	0.6100
JAPAN	JPY	10900	10200
SINGAPORE	SGD	1.3712	1.2630
HONG KONG	HKD	7.0043	6.4072
NEW ZEALAND	NZD	1.1645	1.0635
MYR	MYR	3.2536	2.7818

# Heat Map







# Management

**Omnicom**Group

# Management



CEO – John Wren



- Helped to form Omnicom in 1986
- Previously CEO of DAS

Exec. VP and CFO – Philip Angelastro



- Previously Senior VP of Finance and Controller
- Was CEO of DAS Network in 1997

Senior VP & CAO – Andrew Castellaneta

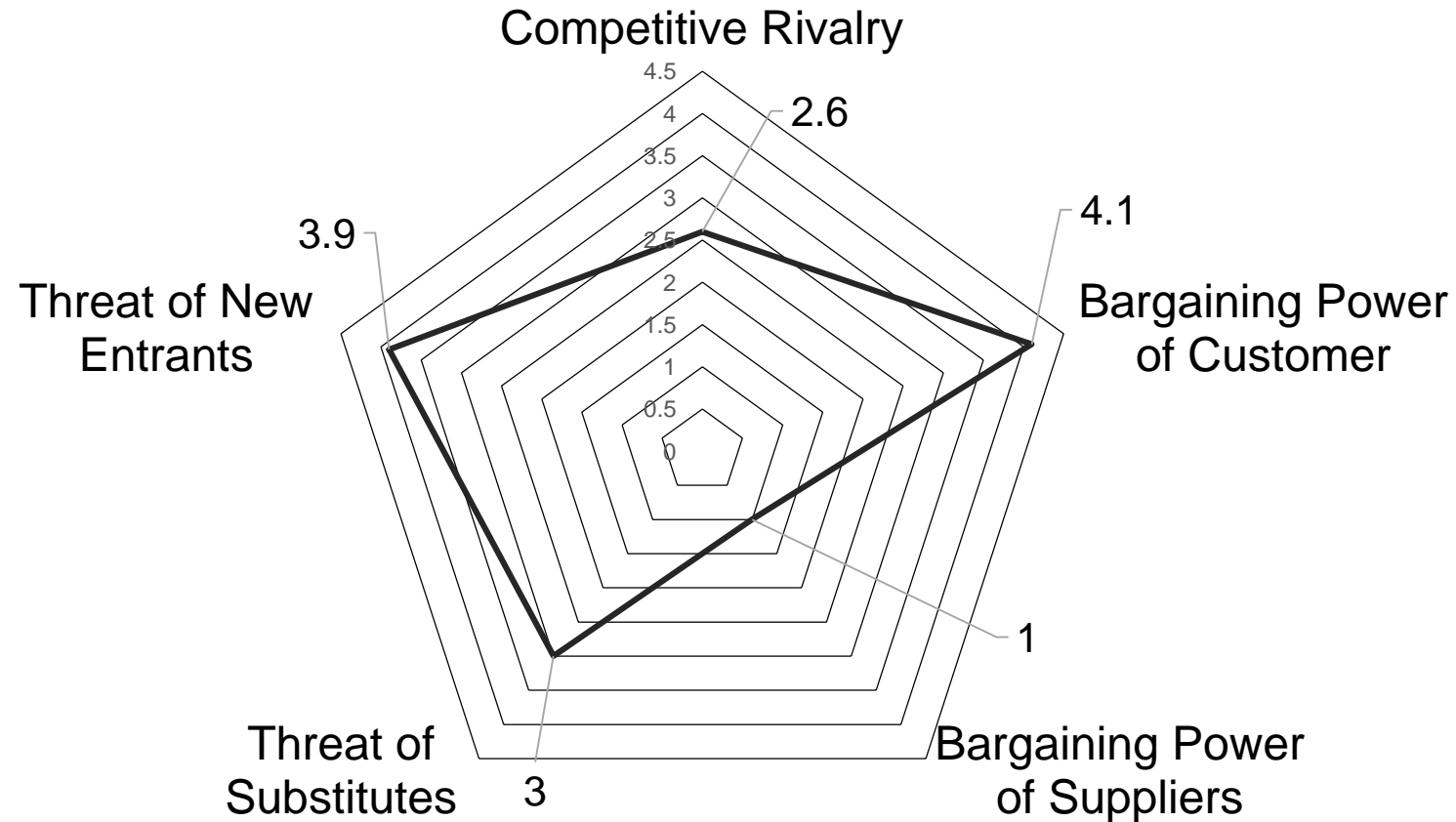


- Joined OMC as an Asst Controller in 2000
- Spent 10 Years with Walt Disney and IBM



# Peer Analysis

# Porter Five Force Analysis



# Competitor Metrics



Metrics:	Market Cap (USD)	EPS One Year Growth	Organic Growth
Omnicom Group	16.55B	12.05%	2.60%
Median Competitors	9.90B	2.73%	1.70%



# Valuation

**Omnicom**Group

# DCF Valuation



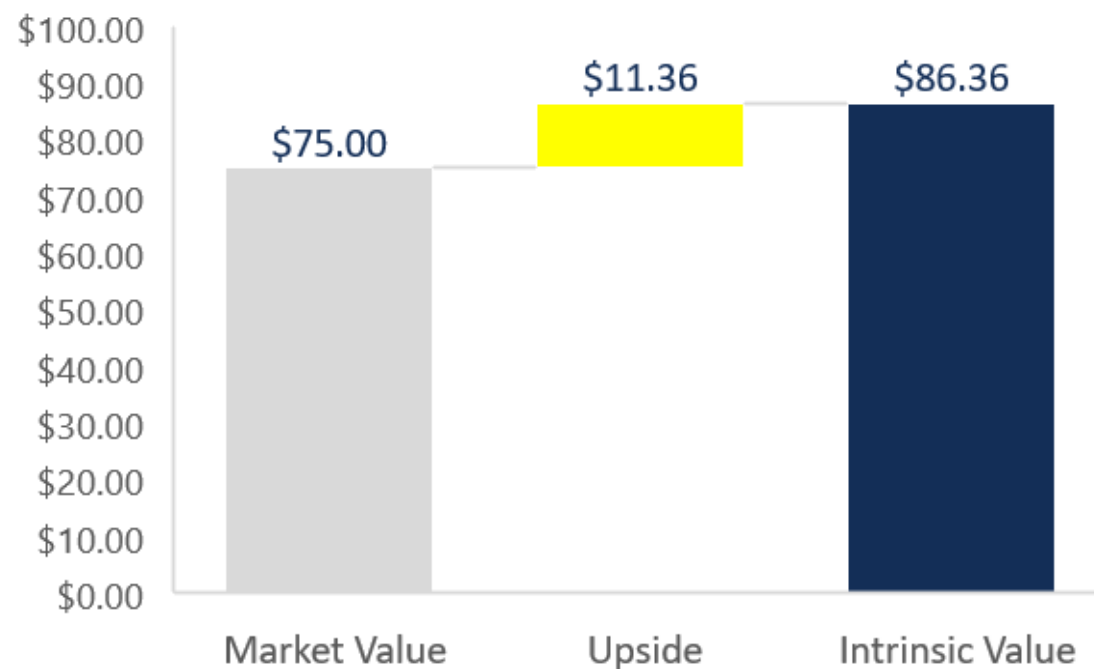
## Rate of Return

Target Price Upside	15%
Internal Rate of Return (IRR)	11%

## Market Value vs Intrinsic Value

Market Value	75.00
Upside	11.36
Intrinsic Value	86.36

## Market Value vs Intrinsic Value



# Multiples Valuation



Name	P/E	EV/EBITDA
Median	14.48	10.52
Omnicom Group	12.72	9.13
WPP PLC	16.25	11.91
RR Donnelley & Sons	4.21	8.16
Publicis Group	9.06	5.74

P/E  
50%



EV/EBITDA  
50%



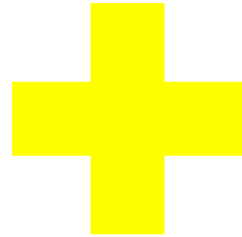
Weighted  
Average  
\$93.01



# Combined Valuation



DCF  
 $\$86.36 \times .5$



Multiples  
 $\$93.01 \times .5$



Weighted  
Average  
 $\$89.69$

Current Price  
 $\$75.43$

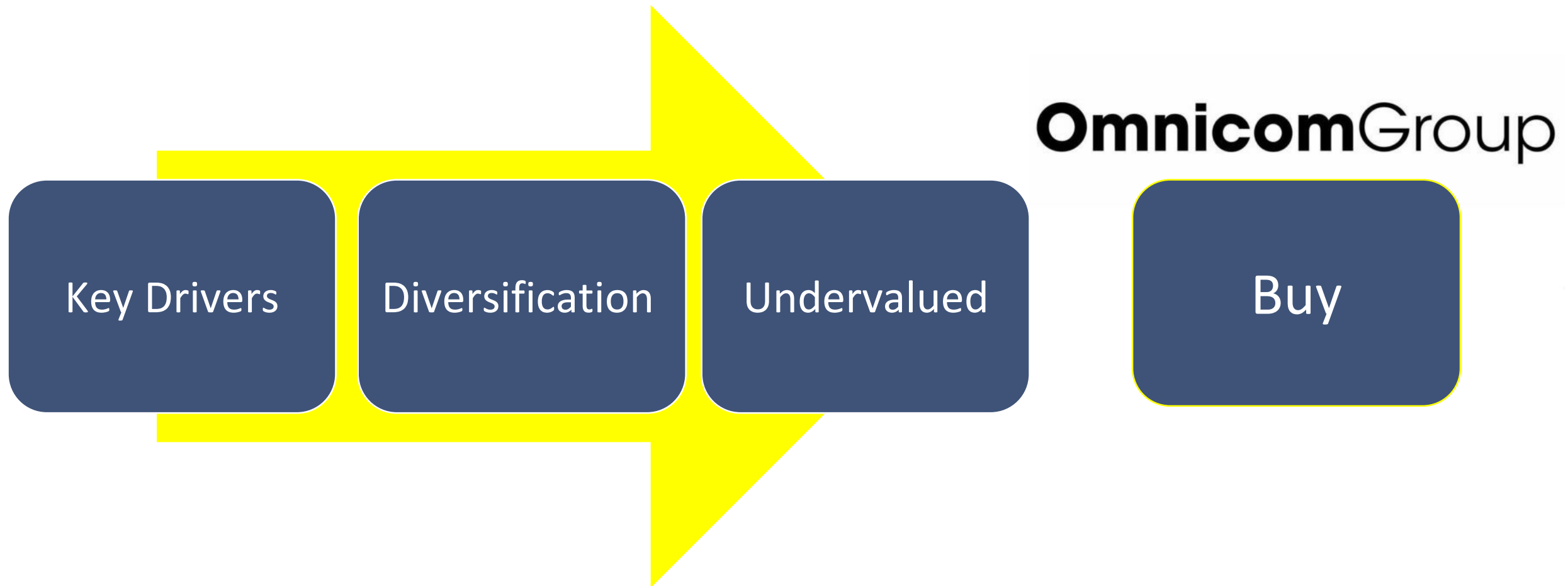
Valuation  
 $\$89.69$

Upside  
18.90%



# Recommendation

# Omnicom (OMC)





# Questions?

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