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Big Spaceship: Ready to Go Big?

Big Spaceship, a digital marketing agency, was a very big deal within its fast-expanding, fast-evolving field. Renowned for the cutting-edge websites that it created to market major Hollywood movies, and for the interactive marketing properties that it developed for brands such as Coca-Cola, Nike, and Royal Caribbean International, Big Spaceship had garnered numerous awards for its work and had generated an ever-louder volume of buzz in the advertising industry. Still, despite its "big" reputation, the firm remained relatively small in size: as of August 2008, it had roughly 50 employees and its annual revenues came to less than $10 million. At the same time, its potential to grow significantly was hardly in doubt. According to Michael Lebowitz, founder and CEO, Big Spaceship turned away as much as 80% of the project opportunities that came its way.

Before Big Spaceship could tap into that potential, however, it had to reckon with a big question: Could the firm scale its business while maintaining the crucially important alignment between its competitive strategy and its organizational design? Based in Brooklyn, New York—at a far remove, culturally speaking, from Madison Avenue—the firm had gone far by retaining a keen focus on innovation and by following a distinctive model of engaging with clients. That strategy depended on the firm's ability to configure its human resources to support high-level work on complex projects.

Already, Big Spaceship had undertaken a major restructuring of how it organized its people. Previously, the company had grouped its staff according to the main functions, or "disciplines" (as Lebowitz and his team called them): production, design, development, and so on. Under a new arrangement, launched in January 2008, Big Spaceship assigned each staff member to one of several interdisciplinary teams. Shifting from a functional structure to a team structure presented real challenges: Employees found it harder to develop skills and to share best practices, for example. By mid-2008, however, company leaders had come to view the new approach as a success.

Yet questions lingered about whether the firm was organizationally prepared for its next stage of growth. "How do you scale it?" Lebowitz asked, referring to his company's innovation-driven culture. ("Scale and quality, in any creative business, are often enemies," he noted.) How, indeed, could Big Spaceship become a truly big company?

Taking Off

Lebowitz entered the digital marketing industry at an early stage of its development, and he brought to that young field a skill set that enabled him to become one of its most creative leaders. By 2008, he had built a firm that stood out for its ability to go where no other agency would go. (See **Exhibit 1**—Michael Lebowitz and Big Spaceship: Timeline.)

Present at the Creation

When Lebowitz attended Vassar College, in the early 1990s, he majored in film studies. That training prepared him well for web production work, and for the advanced digital work that he would eventually oversee at Big Spaceship. "It's a combination of creative and technical skills," he said of film production work. "Also, it's a creative output that requires collaboration. You can't do it on your own, and that's very true of what we do here as well."

In 1996, Lebowitz decided to target the then-burgeoning world of commercial web development. To gain a foothold in the business, he took an unpaid internship in Allston, Massachusetts, at a company called Stumpworld Systems. "It was the beginning of everything for me," Lebowitz said. "I was so hungry to learn this stuff, because everything was in the sweet spot of what I love to do, which is a combination of geeky noodling with computers and creativity and problem solving."

On the basis of that internship, Lebowitz landed a full-time job at a New York–based company called Thoughtbubble Productions. The company put him in charge of the website for the Bravo cable television network. It was 1997, and he was at the center of a young and wholly undefined industry— so undefined, in fact, that his new employer gave him full reign over the web presence of a media concern that reached into 80 million homes. Over time, he rose to a leadership position at the company, and took on projects for clients other than Bravo.

In 2000, Lebowitz joined with one of his colleagues at Thoughtbubble to start Big Spaceship. "In a tremendous act of my own kind of hubris, I said, 'I can do this better. I'm going to go out on my own.'" Startup costs were low. "The great thing about this business is that the equipment's cheap." Less fortuitously, Big Spaceship embarked on its maiden voyage just as the Internet boom was beginning to subside. "It was a terrible time to start a company," Lebowitz said. "But we just did it."

Hooray for Hollywood

Early projects for Big Spaceship included production of an e-mail newsletter for the consulting firm Booz Allen Hamilton and work for a startup called TenantWise. In addition, the young firm received contracts from Thoughtbubble—in exchange for agreeing not to poach the latter's clients.

The key breakout projects for Big Spaceship involved collaborating with movie studios, starting with Miramax Films. In the non-compete agreement that Lebowitz signed with Thoughtbubble, he had negotiated an exception for Miramax. He had good reasons for doing so: Under the aegis of Thoughtbubble, Lebowitz and his partner had worked with the studio to develop the "highlights" websites that Miramax used to promote its films during Academy Awards season. Now they wanted to transfer that relationship to Big Spaceship. For the 2000 "highlights" project, they submitted a bid to Miramax, and so did their former employer. "It was the first competitive bid we ever did, and it was David and Goliath," Lebowitz recalled. "It was 2 people against 60 to 70 people. And we won."

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Two other Miramax projects, both aimed at marketing specific movies, followed. At the time, the standard approach to promoting films online was simply to upload an electronic press kit (cast and crew biographies, production notes, still photos) and to adorn it with animation graphics. The Big Spaceship approach was more adventurous. In the case of *Serendipity* (2001), for example, Big Spaceship dispensed with traditional web navigation and instead used a quiz to guide visitors "serendipitously" through the site. "It was taking advantage of the medium in a way that sites weren't doing then," Lebowitz said. "And it was very successful."

Marketing executives in Hollywood saw those projects, and soon Big Spaceship was fielding inquiries from the likes of Paramount Pictures and Sony Pictures. By 2004, the agency had compiled a lengthy roster of clients in the entertainment industry. "We had worked with all of the major Hollywood studios," Lebowitz said. "There was one summer when it seemed like we were working on every blockbuster film." (See **Exhibit 2**—Big Spaceship: Selected List of Project Launches.)

Around 2005, Big Spaceship began to attract big-name clients from industries outside the sphere of entertainment. Executives at the luxury brand Gucci, for example, contacted the firm after seeing its work on the film *Gothika* (2003). Big Spaceship also emerged as a provider of digital marketing products across platforms other than the web. It had created a proprietary game engine that it used to develop video games for clients. It planned to compete in the new field of developing content for mobile devices. And in 2007, for a New Year's Eve promotion conducted by the Target retail chain, it generated animation effects for all JumboTron display screens in Times Square.

Flying in Its Own Orbit

"We want to be the SWAT team, not the beat cop," Lebowitz said. Unlike traditional full-service advertising agencies, which "walked a beat" for its clients day after day, Big Spaceship came on the scene to accomplish discrete, high-profile tasks. Like a SWAT team, moreover, the firm insisted on planning and executing those tasks in a fashion that would ensure optimal performance.

Just Doing It

In 2006, Big Spaceship engaged with the sport shoe giant Nike on a project that showcased the firm's basic value proposition. Nike came to Big Spaceship with the aim of creating an online campaign to promote "the rebirth of Nike Air," according to Jeff Lyman, who was then a producer in Nike's U.S. digital marketing department. The classic Air Max shoe, introduced in 1987, featured a visible cushion of air in its heel. The new version of that product, the Air Max 360, extended the air cushion across the shoe's midsole. "For the first time, we created a sole of a shoe that was an entire transparent pillow of air," Lyman explained. "And we wanted to make sure that our digital experience was commensurate with the level of innovation that we had brought to this product."

Lyman sent an RFP (request for proposal) to three agencies, including Big Spaceship; R/GA, the digital agency that Nike had under retainer for U.S. campaigns; and AKQA, a leading digital shop that Nike had used for campaigns in non-U.S. markets. R/GA turned down the job, citing a lack of capacity to take it on. Lebowitz and his team, meanwhile, rose to the occasion—and then rose further. "Not only did they pitch one concept," Lyman recalled. "They pitched three different highly developed concepts. We were blown away by the fact that they had put forth that level of effort."

Big Spaceship won the contract. Behind its winning pitch was a deep-going "discovery" phase, in which professionals at Big Spaceship surveyed all available material in order to assess the mission, the audience, and the resources that would shape the contours of any potential campaign. Lyman's

RFP contained what Lebowitz called "a wonderful brief"—an overview of the creative and strategic goals that Nike had for the project. Lebowitz paraphrased the brief as follows: "We've done the lineage of the shoe before. We've done all the technology behind it. What we really need to convey is the experience of wearing it. You can't stick your foot through the monitor and try it on. We want the next best thing." Nike also provided key marketing "assets" that were already in place. Its lead ad agency, Wieden + Kennedy, had developed a print and television media campaign that used the slogan "More Air, More World." Another asset was a line of copy that read, "Everything you've never seen is just beyond where you always stop."

The concept that Nike chose, once it awarded the contract to Big Spaceship, was one that Lebowitz called "the Symphony." The agency produced two versions of it, "Run on Air" (aimed at a running audience) and "Ball on Air" (aimed at a basketball-playing audience). Lebowitz described the finished product (http://www.bigspaceship.com/archive/nikeair) in this way:

> If "more air" equals "more world," how do we display "more world"? If you can run farther than you've ever run before, you're extending your runner's high. You're making it more profound, more deep. We take somebody running in the real world: They sit on their stoop, lace up their shoes, and start running. It's pretty normal. It looks like New York City. Then suddenly they've run from a real world to "more world." There's this transition moment, where we have a shot on the face, just looking at the eyes. This emotional moment. It has nothing to do with the shoes at all. It's about what's going on in the head of the athlete. Then we cut to a profile, a full-body view of a woman running against a flat black background. It says, "Experience more world. Use your keyboard." It doesn't explain what's going to happen. Imagine that the keys of your keyboard are like piano keys, and each time you hit a key on the keyboard, different visual effects start happening around the runner— different visualizations of what Air could be and what "more world" could be.

The Big Spaceship team developed 30 visual effects (one for each of 26 letter keys and 4 arrow keys) for each version of the Air Max 360 website, or 60 effects in all. "One of our 3D artists built this perfect animation of an elephant walking inside a bubble that a kid might blow with a wand, because that for him was the perfect image of air—you know, this heavy creature, this most earthly creature, floating in a bubble," Lebowitz said. "Other people did animations where pillows would appear under the feet of the runner." (See **Exhibit 3**—Big Spaceship: Screenshots from Nike Air Project.) The Nike job also required Big Spaceship to cast, shoot, and edit an array of video elements; to work with a composer and a sound designer, who developed a score for each visual effect; and to design complex user-experience and information-architecture systems. "We really flexed every single muscle we had as a company," Lebowitz said. The entire production process, from receipt of the contract to the launch of the site, took less than three months—a very short time span, by industry standards.

Lyman heaped praise on Big Spaceship. The agency took the idea outlined in his brief and "really amplified it," he said. The agency's work process was no less remarkable than its work product. "They layered in very creative thinking with a really sharp backbone of great process planning," Lyman said. "I knew that they did good work, but then I became increasingly impressed by how well they managed the flow of that work." (See **Exhibit 4**—Big Spaceship: Flowchart for Nike Air Project.) Most important, he argued, Big Spaceship occupied a strong position within its industry: "What they have is that they don't copy. What they sell is that they have the most compelling and aspirational way of connecting with consumers in a digital space."

Big Spaceship = Big Picture

Big Spaceship, as the Nike job revealed, had a value proposition based on several core principles.

Serving the digital space   Lebowitz insisted that Big Spaceship was not simply, or even primarily, a producer of websites. Rather, it was a provider of solutions—all manner of solutions—to the problem of how to reach consumers through various forms of digital media. Thus, for Nike, Big Spaceship did not merely import the Nike Air campaign into a web environment; it developed an extension of that campaign that exploited the uniquely interactive potential of digital technology. But Lebowitz and his team could just as easily have developed a solution for Nike that ran on a small mobile handset or on an interactive JumboTron screen.

By 2008, Lebowitz had thought a great deal about marking out his company's territory. Digital technology had given rise to an entirely new marketing landscape in which empowered consumers no longer responded to standard forms of messaging, he argued, and that transformation strongly informed the way that he defined the Big Spaceship offering:

> We are a born-and-bred digital agency. We work across digital platforms, whether that is the web or mobile, whether that is creating games or building things that exist inside social networks like Facebook or MySpace. But really our focus is on creating compelling content for a world in which the consumer has 100% of the control. That is a very different world from what traditional agencies were built for. The traditional approach was an interruptive practice: You have people's attention editorially while they're reading a magazine, so you insert a full-page ad. Or you have their attention during a television show, so you insert a 30-second spot. Now, with the web, it's the equivalent of consumers' having an unlimited number of channels, with the most sophisticated remote control ever.

Andy Robbins, who was senior VP of marketing and new media at Miramax when that studio hired Big Spaceship for key early projects, agreed with Lebowitz's analysis. "The web is this living, breathing organism that's constantly evolving," he said. Indeed, the very nature of digital marketing products remained an open-ended issue. "It's going to appear on a screen of some kind, sure. But maybe it's going to show up on your phone; maybe it's going to be in your e-mail," said Matt Rosenberg, executive vice president of client engagement. "There are so many choices and so many technologies that change from month to month." (Rosenberg, a recent addition to the Big Spaceship leadership team, had deep experience in the industry. Several years earlier, as director of film marketing strategy at Sony Pictures, he had hired the agency to build movie websites.)

Spirit of innovation   Only by developing novel marketing concepts (such as the "Symphony" idea) and novel adaptations of digital technology ("Use your keyboard") would companies be able to thrive in the new marketing environment, Lebowitz believed. "You have to innovate every time," he said. "If you do something that's just a direct copy, you're not going to differentiate enough and people are going to change the channel on you." A big part of the Big Spaceship value proposition, then, involved taking clients on a journey that carried the risk of going beyond their comfort zone. "We get requests all the time: 'Oh, we loved what you did for that project. Would you do that for us?' 'Well, yes, we'll accomplish similar things for you with the same kinds of goals. But unless your brand is exactly the same, you'll be doing yourself a disservice if you don't seek a differentiating solution,'" Lebowitz explained. "Brands have no choice in the digital space but to innovate."

Innovation was not only essential to the online efforts of Big Spaceship's clients; it was also vital to the success of the firm's own business model. "The work has to speak for itself on some level," he said. "That was our principle in starting this company: 'Let's build a company that's about creating

something of excellence in this space. We've got to give ourselves the right relationships, the right time, the right circumstances to create innovative work.' And that's probably the most tectonic thing that still exists as part of this company—that it's driven by a tremendous focus on innovation."

It was innovation that served to differentiate Big Spaceship from competitors large and small. Operating on that basis presented a big challenge, he conceded: "Selling creativity is a funny thing: What is it, and how do you know it works? Innovation and risk are the same thing." Still, Lebowitz shunned the alternative, which was to compete for business one project at a time—an approach that would result in the commoditization of Big Spaceship's services. "Mediocrity doesn't sell your company. Mediocrity just sells that project," he said "You may have gotten a margin off that project, but you didn't get anything that you're going to be able to sell for future business."

The chance to innovate served as a key criterion in deciding whether Big Spaceship would take on a particular project, according to Becca Beacham, an entry-level producer whose duties included fielding inbound queries from clients. "If it's something that we've never done, we're interested in it," she said. "In addition, there is just the element of fun—because you can definitely see it in the work when the folks here are passionate about what they're doing. Michael says that that's what makes the work great."

Stories, conversations, experiences   The emphasis on creativity dovetailed with a focus on developing marketing vehicles that *entertained* consumers—that went beyond promoting a given product or service. So it was with the Nike Air site, which offered visitors a multimedia show about the act of running or playing basketball; descriptions of the new shoe model were wholly secondary. While digital technology formed the underpinnings of the Big Spaceship value proposition, it was the human element of marketing that the firm highlighted above all else. "We build experiences for brands," Lebowitz said. "The slightly more detailed version of that is 'We tell stories and start conversations on behalf of brands.' That's the best elevator pitch I have. But the other thing is that we focus tremendously on engagement: What we build, what those stories do, what those conversations do is create engagement with consumers for the brands."

Rosenberg, recalling his experience as a Big Spaceship client, stressed the value of the storytelling approach: "A lot of other agencies are order-takers and manipulators of assets that are provided to them. They can work Photoshop really well, but they're not really telling a story. These guys [Big Spaceship] were able to tell a story, to come to us with ideas that we hadn't thought of."

Strategic engagement with clients   Before it could build stories, conversations, and experiences for its clients, Big Spaceship had to work with those clients at a strategic level. It had to explore a client's goals, in other words, along with the question of how to align such goals with available marketing assets, with various technological capabilities, and with the client's target audience. "The big transition from the 1.0 Internet world to the 2.0 Internet world for an agency is the addition of strategy and insight about human behavior and ethnography and all the things that can inform what you do, instead of just going off and doing it," Lebowitz said.

Even when a client came to Big Spaceship with an overall campaign for its product already in place, the agency insisted on approaching any potential digital project from the standpoint of a bottom-up strategy. With the Nike Air job, for instance, the agency subjected Nike's project brief to a rigorous review—despite the pre-existing "More World" campaign. The work of strategizing a project always began with the discovery, Lebowitz explained: "You come to us and you say, 'We need a website for X.' And we say, 'Hold on a second. How do you know you need a website? Let's start by asking, What are you trying to accomplish? What are your business goals?'" Addressing those questions in a deep, sustained way was an essential element of the Big Spaceship offering. "We

can't be hired just as a production company. You can't hire half of the skill set of the company and not the other half. We have too many opportunities," Lebowitz said.

The complex nature of digital technology also made it imperative for Big Spaceship to control both strategy and execution. Traditionally, advertising agencies would do the heavy intellectual lifting for a campaign—developing strategy, writing copy—and then hand the remaining work off to a production company. "They outsource the entire thing," Lebowitz said. He went on:

> The problem is, in this environment, you can't count on the platform being the same every time anymore. TV displays [an ad spot] the same way for pretty much everybody. Your screen size may be different than my screen size, but you're seeing the exact same thing that plays the exact same way. The entire platform is fixed. In the digital world, we're actually defining the platform on the fly each and every time. So you can't plan it and write for it without knowing how it's built. You have to own the means of production in order to really do it intelligently.

The Client "Filter"

For Big Spaceship leaders, the attributes of an ideal client were quite clear. "We want to work with people who understand our process, people who understand what possibilities in the digital world are," said Josh Hirsch, the firm's minister of technology. "We want people to come to us understanding the value that they're getting from us, which is not just execution and production—it's the thinking, and expertise, and strategy." Even when clients did not meet those exacting criteria at the outset, Big Spaceship pulled them in that direction. "We say, 'This is how we work and here's why.' And some people respond really positively to that, and others say, 'Oh, that sounds expensive,' or whatever," Lebowitz explained. "It's a filter. It becomes self-selecting." (See **Exhibit 5**—Big Spaceship: Client Communication Material.)

Client self-selection, in fact, characterized the agency's client-acquisition efforts. Thus far, Big Spaceship had done very little to market itself in an overt, aggressive way. Early high-profile work for various movie studios led to other projects, and the agency's portfolio served as its marketing campaign. "That became the genesis of our entire business development process," Lebowitz said. "Everything is word-of-mouth. Everything is inbound. Everything we've ever done since then—our entire client list—has come from people seeing the work, seeing something in it, and calling us."

At peak periods, the agency fielded as many as 40 inbound inquiries per week, according to Tina Glengary, a senior strategist at the firm. Each inquiry underwent a serious "qualification" process. Beacham, along with a few colleagues, took responsibility for receiving and sorting communications from potential clients, but Lebowitz and his senior leadership team took charge of deciding on each prospect. "Sometimes it's as many as three to five [inquiries] a day, and that's a lot of people knocking on your door, asking to have work done," Beacham said. "The vast majority of them we're not able to accommodate." As noted, up to 80% of project inquiries fell into the latter category.

To the extent that it could do so, Big Spaceship shunned projects that (like the Nike Air job) involved competitive bidding and the preparation of elaborate proposals. In recent years, Hirsch said, the agency had "gotten a little more firm" with clients on this point: "The bidding process, as most companies do it, is so backwards. Clients expect us to come up with ideas without learning from them first, and to tell them exactly what we're going to build and how much it's going to cost, and to do all of that work on spec." The need for collaboration with clients was a major reason for avoiding jobs that required a detailed, up-front bid. "On occasions where we do spec work, we try to keep it strategic," Rosenberg said. "We make sure that the client understands that what we can do on our own is only a taste of what we can do once we partner with them."

Despite a rigorous qualification process, Big Spaceship occasionally signed on with a client that it could not "train." In such cases, Lebowitz and his team were not afraid to "fire" the client. Glengary cited an instance when a client went "through the motions" of collaborating with Big Spaceship at a strategic level, even as the client (a leading beauty-product brand) clung to its own idea for a project. "It wasn't until a month and a half [into the project] that they said, 'No, we want you to make X, Y, and Z. We don't care about all this stuff that you've come up with,'" Glengary recalled. She and her colleagues insisted that Big Spaceship was not the right agency to complete the project that the client actually wanted. Nonetheless, the client urged the agency to "make X, Y, and Z." Finally, Glengary said, "We wrote out exactly how much it would cost and how much time it would take—which was way beyond their budget and way beyond their timeframe. So they sort of fired themselves."

That willingness to reject clients was a by-product of the agency's differentiation strategy. "Most agencies—especially the ones that say they're full service, whether digital agencies or general agencies—are constructed to catch every dollar of the marketing budget," Lebowitz explained. "They say, 'We do absolutely everything for you.' We say, 'We're brutally honest, and we're going to tell you things you're not used to hearing: You know, "That particular piece of money isn't best spent with us, because we're not a volume player."' We don't need *all* the money."

Clearing a Flight Path

For Big Spaceship, preserving a clear distinction between its offering and that of competitors was essential. The mainstream advertising world flourished along Madison Avenue, in Manhattan. Big Spaceship, meanwhile, maintained its offices in a funky enclave called DUMBO (Down Under the Manhattan Bridge Overpass). Navigating the space across that divide was a top goal for Lebowitz.

DUMBO versus Madison Avenue

The advertising industry in 2008 had a fairly straightforward structure. Dominating the field were several huge holding companies, including Interpublic Group, Omnicom, Publicis Group, and WPP. Each holding company owned dozens or even hundreds of discrete agencies, and those agencies operated independently to a large extent—recruiting staff, competing for clients—even as they reported up to their parent firm. Most of the holding-company agencies were in the traditional mold: They focused on developing campaigns for print, television, and other legacy media.

In recent years, however, holding companies had moved aggressively to acquire digital agencies. "A tremendous amount of consolidation" was under way, Lebowitz observed. "Holding companies are realizing that their big, global, traditional ad-agency assets are floundering in the digital space." In one notable deal, Publicis Group paid more than $1 billion in 2006 to buy Digitas, a digital shop with 3,000-plus employees. The holding companies owned many small and medium-sized interactive agencies as well. (R/GA, for instance, fell under the Interpublic umbrella; it had a staff of about 700.) As they did with standard agencies in their portfolio, holding companies applied a very specific strategy to their digital properties. "Omnicom doesn't own one digital agency. It owns a handful of digital agencies," Rosenberg said. "Do they try to make them work together? No. They want them to compete. It's very survival-of-the-fittest."

Independent digital agencies were growing fewer in number, and most of them were considerably larger than Big Spaceship. AKQA, for example, was a privately held firm with several offices worldwide and more than 500 people on its staff. At its current size, Lebowitz noted, Big Spaceship occupied "a very funny nexus" between bigger agencies of every sort and small outfits that

performed digital production work. "We're different from a traditional ad agency," Lebowitz said. He continued:

> A traditional ad agency really only has expertise on the creative side and, for the most part, in traditional media—in what's considered 'above-the-line' stuff: traditional 30-second television commercials; print ads that you can see on outdoor billboards, on the sides of buses, in magazines, and such like; and then some direct mail. Also, they subsume some PR activities. They've become gigantic organizations that have so many tentacles that I couldn't begin to quantify all the services. But, because they're so big, they're having tremendous challenges in transitioning to a world that's moving as fast as the world is now.

To steer a nimbler course through the new environment, Big Spaceship positioned itself in a way that cut across standard divisions of labor in the industry. "We're in between an ad agency and a production house—kind of a new breed," Hirsch said. Lebowitz elaborated on that distinction:

> There are digital production companies, which are less strategy driven than we are. They follow a film-production model, but for digital technology. We find ourselves going up against them very often, because we're still making a transition from being more production-led to being more strategy-led. That's a hard transition to make, because of our size. For the most part, companies that are 50 people and under are more production-oriented, and companies that are much larger—in the hundreds or thousands of people—are very strategically driven. I'm painting with very bold strokes, but this is how it's perceived in the marketplace.

As Lebowitz and his colleagues saw it, established firms had serious competitive limitations. "Things need to change, and the big agencies have a lot of trouble doing that, because they are 90,000 pounds of beast. To turn that tail is really difficult to do," said Jason Prohaska, general manager. (See **Exhibit 6**—Digital Creative Industry: Competitive Overview.)

Yet the Madison Avenue titans were hardly going to yield the emerging new space to Big Spaceship. Inevitably, those agencies would build up their digital capabilities, and digital advertising practices would undergo normalization. As the industry matured, would Big Spaceship be able to maintain its differentiation—especially in light of the entrenched power of the traditional agencies? Rosenberg explained the basic dynamic:

> For the most part, we don't hold the big money relationship with the client, because they've usually got a traditional agency. The vast majority of their money is still going into traditional media. If you're, say, Coca-Cola, you're still going to have an ad agency that is going to be getting 300 million of your dollars. Your digital agency gets maybe $3 million. Frankly, that's a good budget, but the scale is all different. A lot of clients try to focus communications by keeping the digital agency reporting through a traditional agency, and it gets pretty hairy. The traditional agency doesn't necessarily get what the digital agency is doing. And, of course, clients aren't asking the $3 million guys to tell the $300 million guys what to do.

A patronizing attitude often characterized the relationship between upstarts such as Big Spaceship and their Madison Avenue elders. "They [digital agencies] don't get invited," Rosenberg said. "They're still at the kids' table at the Thanksgiving dinner."

Eyes on the Prize

The challenge of carving a new niche within an old industry meant that Big Spaceship had no choice but to collaborate frequently with its Madison Avenue counterparts. Only about 50% of its business came directly from clients; the rest came by way of a big traditional agency. Typically, such an agency would "own" the overall advertising account of a given client, and it would approach Big Spaceship in order to fill a gap in its digital marketing capabilities. By 2008, Lebowitz had become increasingly selective with regard to the agency-mediated projects that his firm would pursue. "We do work with ad agencies, but we won't engage with them if they have a completely fixed plan in place," he said. "We say to all agencies, 'We won't white-label our services to you. We're not here to make you look more digital than you are.'"

Even when collaboration with Madison Avenue yielded top-quality results, tension persisted between Big Spaceship and its big partners. In mid-2008, that tension erupted into a major public controversy. The "big blowup," as Lebowitz called it, involved a campaign for the cable-TV network HBO. Designed to promote the network's various dramatic series, the "Voyeur" campaign pivoted around the idea that HBO allowed its viewers to spy on the intimate details of other people's lives. BBDO New York, a large and legendary agency, led the "Voyeur" effort, and its basic plan was to produce a short film that simulated the effect of cutting away the wall of an apartment building, so that "passers-by" (that is, viewer-voyeurs) could peer inside to watch scenes of HBO programming. The agency would then arrange to project the film, billboard-style, on the side of an actual building in lower Manhattan; the film would also be available through the HBO On Demand service. In addition, BBDO recruited Big Spaceship to create a digital component for the campaign.

From the start—work on the "Voyeur" project began in 2007—the Big Spaceship team refused to deliver merely an online adjunct to the main event. "We said, 'Well, you need to do more than just put the video online, because that isn't going to get you anywhere. There are a million films online. Why should somebody watch this? How are you going to differentiate the experience?'" Lebowitz recalled. "We defined the strategy for how to take a traditional piece of media and put it out into the world in a natively digital way." Inevitably, he argued in meetings with people from BBDO, the web version of "Voyeur" would enjoy wider distribution than a one-shot public airing in New York City or an on-demand showing. For that reason, it had to be far more than an "afterthought." Lebowitz said: "We didn't just push a 'digital' button and make it go online. We actually put a lot of strategic thinking into this thing, and that was part of our contribution. That is, in my opinion, the reason why it was so successful. Because if you take our piece out, it's neat, but it's not effective at all." (See **Exhibit 7**—Screenshots from "HBO Voyeur" Project.)

In June 2008, at the annual Cannes Lions festival—where the global advertising industry gives out its equivalent to the Oscars—the "Voyeur" campaign was the star of the show. It won two Grand Prix awards and numerous gold, silver, and bronze awards. BBDO claimed all of those awards, and also took away the Agency of the Year prize. The Madison Avenue agency even accepted a gold Cyber Lion prize for the interactive component of the project. "They sent me an e-mail saying, 'If you're in Cannes, it would be lovely to have you onstage with us.' A very token thing: 'Oh, yes, you can come along,'" Lebowitz recalled. "This is our work. It would have been very easy for them to share credit. But they didn't." (See **Exhibit 8**—Big Spaceship: Selected List of Awards Received.)

After the festival, a reporter from *Advertising Age* called to interview Lebowitz, who used the occasion to rail against the industry establishment—and its award system—for failing to reflect the realities of digital advertising. "I was pretty frustrated about the whole thing, and I just opened up," Lebowitz recalled. "It became a pretty big deal. I probably got 70-plus e-mails saying, 'Here here!'

'Congratulations!' 'Good work!'" Despite the likelihood that his remarks had alienated major players on Madison Avenue, Lebowitz had no regrets about causing an uproar. "Ultimately, it's really good for us," he said. "It positioned us as strategic thinkers to the entire industry."

Managing the Crew

To sustain its ambitious, highly differentiated strategy, Big Spaceship had to muster and marshal an array of uniquely skilled professionals. Equally important, it had to organize those professionals in a way that allowed them not only to work well together, but also to work within the culture of constant innovation that Lebowitz had built. "All my value is in human capital," he said. "All of it."

All Hands on Deck

In building its system of human capital, Big Spaceship focused on finding and nurturing talent, on creating a suitable culture, and on developing an effective leadership team.

Talent   Recruiting and retaining people of an appropriate caliber was a persistent challenge for Big Spaceship. "It's very difficult to find people who can align with our cultural objectives and who also have the different skill sets and thinking-on-your-feet kind of approach that we need," Prohaska said. Making that problem worse was the fact that competing firms offered salaries that Big Spaceship simply could not match. "Anybody working here could get a similar job at a big agency and make a lot more money—in some cases, it's probably twice as much," Hirsch said. The business model of Big Spaceship, with its emphasis on doing innovative work for every project, translated into low profit margins that left few resources for engaging in a bidding war for talent.

Lebowitz compared the task of attracting staff to that of attracting clients. In both cases, he said, Big Spaceship sought to draw people into its orbit on a "self-selective" basis:

Where a lot of companies in our space have to spend tons and tons of money recruiting, we don't spend money recruiting. We've done it maybe twice—and both times we considered it a mistake, and money not well spent. Because people who come to you see something in you, and they want to work with you. It's the same principle we have with our clients: Everything emanates out of the culture. That leads to the quality of work, which leads to something being out in the world that represents us. It puts our money where our mouth is. They [prospective employees] see something in that work, and they say, "That's the kind of work I want to do."

At the core of Lebowitz's recruitment pitch was a simple formula: "I say, 'You spend a third of your life sleeping. So have a great mattress. Don't skimp on your mattress. Amortize the cost of the highest-priced mattress you can get, because it really is worth it. You spend at least a third of your life at your job. So have a place that you're genuinely happy to go every day, because no amount of money can compensate for that.'" (People spend the other third of their lives in leisure, or with "your family, your friends," he added.) "We try to engage a whole person, not just their wallet," he said.

Once on board, employees at Big Spaceship entered an environment in which work and play intertwined. (See **Exhibit 9**—Big Spaceship: Scenes of Office Life.) "The atmosphere is amazing," Beacham said. "Between the Foosball table and the video games and music playing in the office, it has a vibe that I really appreciate. One great characteristic of this place is that you don't have to switch from 'work self' to 'normal self.' You can bring your personality to work." It was a place that offered free breakfast every Friday and free snacks every day of the week; a place where developers

on a break from a knotty programming problem could play a few rounds of the video game Guitar Hero; a place where employees could bring their dogs to work.

Two off-the-books projects that Big Spaceship sponsored in 2008—neither of them involved fee-paying work for clients—illustrated the firm's commitment to promoting fun on company time. That summer, the company held the Big Spaceship Olympics, which consisted of 10 events (chosen by a vote of the staff); they ranged from Pictionary to bocce ball, and employees took off afternoons to compete in them. Meanwhile, over the course of several months, an ad hoc group of junior designers conceived, scripted, and produced an animated 3D short film called "Believe in Everything."

Unlike many ad agencies, Big Spaceship made relatively little use of casual labor and focused instead on building a full-time permanent staff. "We don't use a lot of freelancers, because we want real tight control over the output," Lebowitz said. He and his team, therefore, devoted considerable time to employee development. "It's a lot of work to nurture a family like this," Prohaska said. "We consciously choose to go through two basic reviews every year with everybody." In addition, the firm provided opportunities for staff members to expand and improve their skill set.

One young staff member who took advantage of such opportunities was Tyson Damman. Brought on board as an intern in 2004, Damman had risen to become an art director—a top job for designers at the firm. In recent years, he had fended off bids from other agencies to lure him away, largely because firm leaders had "really fostered my growth." He said: "It doesn't make sense for me to look around to other places. I'm getting pretty much everything that I want here." While Damman did not go in for Foosball or Guitar Hero, in particular, he said that "just knowing" that his employer "encouraged" such activity conferred on him a sense of creative liberation. Under company auspices, for example, he was working to perfect his photography skills. "I can do that because we have the equipment," he said. "I have the time every once in a while to work on it, and it's only going to make me a better employee if I learn new things."

Culture   Employees at all levels of Big Spaceship took pride its high-quality, high-performance workforce. "Everybody is really laid back and very intelligent. It's, like, two great qualities," Beacham said. Glengary marveled at how "scary, scary smart" her colleagues were. "It's just good to be in a place where I know that everyone is going to challenge me and make me work harder and think harder. I've worked at a couple of places where that wasn't the case, and it's not very much fun," she added. (See **Exhibit 10**—Big Spaceship: A Staff Portrait.) Equally important was the sense of responsibility that characterized the Big Spaceship staff. "I've worked in corporations before," Prohaska said. "There's a lot of [rear]-covering—a lot of 'Oh, I didn't do that' or 'I passed this off to somebody else, so it's not my problem.' I hate that; I can't stand it. And that doesn't happen here."

Although the firm did not require people to work long hours, they often did so when a project called for it. "Everybody here is really into adding polish to anything that we do," Prohaska explained. "So if people are here late, it's because they want to be. It's because they want to add something extra. This is something that's been nurtured by our culture."

The hallmark of the Big Spaceship culture was a commitment to openness. "In order to succeed with creative output, you need to find a way of being inclusive, not exclusive," Lebowitz said. "Ultimately, that's about culture. And, frankly, I would attribute 100% of our success as a company to our culture." While he and his senior managers signed off on major final decisions, they did so only after encouraging a wide range of ideas to percolate across the company. "There is no hierarchy to brainstorming," Lebowitz said. "Anybody's voice, regardless of whether they're an intern or me, is heard with equal volume." Given the centrality of visual and technological innovation to the firm's success, Lebowitz was particularly eager to elicit ideas from multiple disciplines and in multiple

forms. "Not everybody is verbal," he noted. "Some people are going to be able to write their ideas down better. Some people are going to be able to sketch their ideas better."

In departure from long-standing tradition, Lebowitz discouraged use of the word "creative" to label a person. "The advertising and communications industry will talk about the 'creatives,' meaning copywriters and designers. I don't allow that here," he said. "Just because you don't produce some sort of artifact that is visual, or some writing, doesn't mean you're not creative. It takes creativity to solve problems." Resorting to that phrase, he explained, set up a division of labor that fundamentally undermined the Big Spaceship culture: "If you're not creative, you're not allowed to work here. And if you call others 'creative,' which means you're not, you don't belong here."

A spirit of universal creativity helped drive a deep sense of engagement on the part of employees. "Here, I'm involved from the very beginning of the project to the very end," Damman explained. "I have lots of friends in the industry: They do their part and hand it off to someone. I like being able to feel like the whole project is mine." Damman also noted the value of working in a place that gave him broad leeway in dealing with clients. "That's a great thing," he said. "We get good clients, and even if they're not good clients, we still are able to take projects and run with them."

The benefits of such a culture, both for the firm and for its employees, were readily apparent. "Without fail," Hirsch said, "every single person who has left here to go to R/GA or one of those places hasn't worked there longer than three or four months. They constantly contact people here to say how much they hate it. So that's the trade-off. We treat people right."

Leadership Top-level management of employee performance came from a troika that included Lebowitz, Hirsch, and Prohaska. Over time, Lebowitz had drifted away from working on projects and toward guiding the company as a whole, with an emphasis on relating externally to the marketplace. "I was the best suited to be the guy who talked to clients, and that started my career in management," he said. "That's a place I never expected to be in a million years, but I actually ended up loving it. I think I've got the best job in town." Other members of the senior leadership team included Rosenberg and Ranae Heuer, VP of production. (See **Exhibit 11**—Big Spaceship: Biographical Sketches of Senior Leaders.)

As yet, there were no layers of middle management between those leaders and the professionals who did project work for clients. "We don't want to create too much hierarchy, because the natural process that we have here is to be as flexible as we possibly can be in order to maintain transparency with each other and with clients," Prohaska said. Indeed, unlike a standard ad agency, Big Spaceship did not employ account managers. The task of handling clients, like the task of maintaining high performance levels, fell to people who worked directly on creating products for those clients.

The firm also relied on technology to aid in managing the performance of its staff. "It's an art, not a science, to manage the traffic through a company like this, when you have eight or ten or twelve projects running at any given time," Lebowitz said. Developers at Big Spaceship were in the process of creating a piece of software, called the ARES Allocation Tool, that would help senior managers track the stage of each project and the availability of various project teams. Lebowitz compared use of the tool to "generals moving armies on a board," and said that it would allow him and his team to "rapid-prototype our schedule."

What's Your Function?

At Big Spaceship, the core staff consisted of people who belonged to one of four main functions.

Strategists   After gathering ideas during the discovery process, strategists drafted a synthesis document that pinpointed the audience for a project and described ways to reach that audience. (Specialists in information architecture and user experience contributed to this phase as well). "It's almost like a WANTED poster," Lebowitz said. "Strategists draw that WANTED poster, and it goes up in front of the designers and the producers and the developers, so that they know exactly what they're hunting for." Strategists also provided what Glengary called "strategic continuity" throughout the production process.

Producers   "The producers on a project are responsible for the whole—for managing the project, and being the day-to-day direct client contact," Lebowitz said. "Producers have one of the hardest jobs there is." Forming the "communications nervous system" for a project, a producer coordinated the activity of strategists, designers, and developers, and maintained steady contact with the client and with the firm's management team. Producers took charge of scheduling and assigning specific project tasks. In addition, Lebowitz explained, "they own a few of the legal documents and make sure that we conform to the scope-of-work [document], which defines specifically what it is we're building and how much we're delivering it for."

Designers   The "look and feel" of a digital product was the handiwork of design professionals, Prohaska said. "Designers usually are divided into an art director or a design director, and designers and junior designers," he added. Though comparable to the graphic designers who created print advertisements or magazine pages, designers at Big Spaceship did far more than merely generate "static visuals," according to Lebowitz. "Our designers are multidisciplinary," he said. "They do design, animation, and a lot of the production tasks that are often associated with the development side of things. They're responsible for anything that is visual, and that includes user experience: What is the path that somebody can take through an experience? How do we architect this thing?"

Developers   Alternatively called "programmers" or "engineers," developers took responsibility for the technical functionality of a digital product. "The developers enable what we decide to build and inform how a design gets translated into a usable construct," Prohaska said. Developers at Big Spaceship excelled, in particular, at using the Flash platform. "It's one of the most highly penetrated platforms on the web, and we're always right out on the edge of what can be done with it," Lebowitz said. "But we also work with other programming languages and database technologies—anything that we need to enable what we do."

Going with the Flow

In organizing the flow of work across functions, Big Spaceship differed notably from the standard industry practice. "The traditional approach to producing work in an agency environment is a cascading approach," Lebowitz explained:

> You have the same basic core disciplines that we have here: strategy, project management, design, and engineering. Strategy comes in and defines a project. And then they hurl it over the fence to project management, who scope it and make it actionable. And then *they* hurl it over the fence to design, who make it visual. And then *they* hurl it over the fence to engineering, who make it function. Now that all sounds fine if everything works perfectly and everything was planned perfectly all along the way. The reality, though, is that it's tremendously inefficient: If a mistake was made in the first phase, that is going to lead to

inefficiencies in the fourth phase, when engineering gets it. You've compounded it through two other phases. Then you have to go back and redo. It's the illusion of efficiency.

The Big Spaceship method was to blur the lines that separated one production phase from another, and one function from another. "We turn that [the "cascading" model] 90 degrees, and we say, 'All disciplines are involved from beginning to end,'" Lebowitz said. "The amount that they work will flex differently. So strategy is going to work much more at the beginning than at the end of a project, and engineering is going to work much more at the end than at the beginning. But the voices are all there and represented." (See **Exhibit 12**—Big Spaceship: Work Flow by Function.)

That "flex" approach to coordinating the work of multiple functions served Big Spaceship very well. It was "something that differentiates us tremendously" from competitors, Lebowitz said. By 2007, however, he and his team had determined that they needed to address other aspects of how they organized their staff. In its early years, the firm conformed to an "organic structure," to use Prohaska's term—a structure that organized people according to their function. (See **Exhibit 13**—Big Spaceship: Organization by Function, Pre-2008.) "We used to divide up the physical space by disciplines, so all the designers sat together and all the developers sat together and all the strategists sat together and all the producers sat together," Hirsch said. "When a project would come in, we'd make a team out of whoever was available: This producer is free, this designer would be good for it, this art director. So different people would be working with different people on different projects." (See **Exhibit 14**—Big Spaceship: Floor Plan of Work Space, Pre-2008.)

Increasingly, the practice of staffing each project on an ad hoc, "organic" basis had dysfunctional results. "When there were four or five people, we just shouted across the room at each other to organize everything: 'Where is that file?' 'Can we just roll our chairs together and figure this out?'" Lebowitz explained. But growth in scale made that process unworkable. As the agency shifted away from serving mainly film-industry clients, its client roster grew more diverse and its projects grew more complex. As a result, "communication breakdowns" became a big problem. Lebowitz said:

It's easy to organize by discipline at a certain scale, because you don't have that much going on. But then you're not just working actively on a few projects; you're in different phases of a whole bunch of projects. And suddenly it leads to territorialism. The ball gets dropped someplace: "The producer didn't tell me that." It's not miscommunication, I think, as much as forgotten communication—the lack of communication. You know, a designer makes a visual decision. It feels really small to them, but the client may be expecting something completely different. And if that isn't picked up really quickly and if the designer passes that off to the developer, we just lost a whole lot of hours that we then have to completely go back and redo.

Front-line employees also saw the problem clearly. "There were people getting lost in the mix," Damman said. "No one really knew exactly what everyone else was working on. We would gather up a team for a certain project, and then that team would disperse, and there wasn't very good communication around that. And the efficiency level was definitely lower because of it."

Team Dream—and Team Reality

The solution to those problems was to organize the firm's core production staff into multidisciplinary teams of people who stayed together from project to project. (See **Exhibit 15**—Big Spaceship: Organization by Team, 2008.) "The idea is: How do we make lots of small companies inside of this company?" Lebowitz said. "What we realized is that we were organized by discipline, but the product of the company isn't design or strategy. The product of the company is the

combination of those things. So we put them all together." The revised structure, announced in December 2007, went into effect early the following year.

Typically, a project team had seven members: a lead producer and an associate producer; a lead developer, along with another developer; and an art director and two other designers. By the end of 2008, Big Spaceship would field four such teams. In addition, there was a "floater" team, consisting of specialists—copywriters, a QA (quality assurance) expert, a 3D artist, a sound designer—who worked with project teams on an as-needed basis. Strategists, because their work on a project was highly variable over time, also belonged to that group.

Careful thought went into setting up each team. "I sat down with Jason and Josh," Lebowitz recalled. "We went through absolutely everybody, and we modeled the whole thing. We thought we came up with really, really great teams." For Lebowitz, it was a key priority to avoid any suggestion of a qualitative hierarchy among teams, with an "A" team reserved for "A" clients. "We will never have a 'B' team," he said. "We have no specialized teams. It's all defined by traffic."

By no means, however, were the teams identical. "Each team develops its own personality, and it's been interesting to see that," Prohaska said. "It's like watching your kid grow up." Each team, in fact, put considerable effort into establishing its own identity—starting with the adoption of a name. There was Team Flash 'Merica, and the Special Bears, and Cheapies Playhaus, and Squid Republic; the floating team called itself Cobra Kai. Team members also created logos, mascots, and even shrines to adorn and "brand" their work spaces.

Moving the members of each team into a shared space was part of the new organizational design. "We actually moved everybody physically, so they all sit together in a row," Lebowitz said. (See **Exhibit 16**—Big Spaceship: Floor Plan of Work Space, 2008.) Initially, he planned to seat each team around a big table. But then he saw that it would work better to position them in the aisles between each table. That way, he said, "all they need to do is swivel their chairs inward to have a meeting."

Senior leaders at Big Spaceship, meanwhile, met with each team on a weekly basis. "It's generally an hour meeting," Prohaska said. "We sit down and go through the work. We look at costs, we look at the status of the build, but we also talk about team dynamics, we talk about resourcing, we talk about process, we talk about work flow. Pretty much anything is open for conversation."

Looking back over the first half-year of using the team structure, people at Big Spaceship judged it to be an overall success. "It has been completely amazing," Hirsch said. "I was always skeptical about it, but it really makes our flow much easier. It makes it easier to manage how much availability we have to take on work and who's doing what. Big change." Prohaska cited several advantages to the new system, ranging from improved cross-disciplinary communication to increased efficiency. "When balls are dropped, flags go up, and a lot of the practices that we've put in place allow for those flags to go up before the ball actually gets dropped," he said.

But the drawbacks of the team structure, real or potential, were equally apparent. Locking every production employee into a seven-member team carried the risk of organizational rigidity. For the firm, that meant economic inefficiency. "Sometimes projects are of different sizes, so you need different numbers of people," Hirsch said. He also noted that the Big Spaceship staff included "certain experts who you want to put on particular projects"—but the team structure prevented the firm from managing staff members in that way.

The misalignment between team size and project size occasionally left team members without enough work to do. "It does happen that people are idle," Beacham said. "Not only is that not beneficial monetarily for the company, but it can also impact morale. Designers come to work to design, and when they're not designing, they're not happy. The same thing with developers."

Indeed, perhaps the biggest problem with the team approach was its adverse effect on employee development. For a company that based its business model on staying at the cutting edge of its industry, the sharing of knowledge and best practices among members of the same discipline was critically important. The team system reduced that kind of interaction. "I don't really look over at Zander, who is another art director, to see what he's doing as often as I did when all the designers were together," Damman observed. The possible erosion of intradisciplinary communication was a real source of worry when the firm adopted the new structure, Lebowitz acknowledged: "I think the big concern was, 'How am I going to learn things? Because I learn from sitting with all these people and asking them questions.'"

Prohaska saw both sides of the issue. "Yes, the team system is a little segregational," he said. "The organic structure that we had before led naturally to people cross-pollinating. With the team system, a lot of that mentoring still happens, but it doesn't happen as organically. It happens as a structured mentoring process." Prohaska cited the short-film project undertaken by the junior design staff as an example of how the firm compensated for the loss of interaction within each functional area.

Setting a Course

As captain of Big Spaceship, Lebowitz thought extensively about the firm's future trajectory. Three questions, in particular, drove his thinking: How would Big Spaceship secure the "fuel" that it needed to continue its journey? How far could the firm travel? Who would help "pilot" the firm?

Capital Ideas

As Lebowitz acknowledged, Big Spaceship might need an infusion of capital in order to position itself for substantial growth. People in his circle, moreover, believed that he could secure a good deal from investors. "When I talk to anybody about what the exit plan is for this thing, they all say, 'Look, you've got a unique business. It surely deserves a different sense of valuation than another business that is not as unique as yours,'" Lebowitz said. "I'm not really looking to sell the business, but I want to understand in a very nuanced way what all my options are at all times."

One option for the firm was to go public directly. Lebowitz was dubious, at best, about that course of action. Among professional services firms, he argued, only those that sold "rigorously defined processes" could afford to go public. "When what you're selling is creativity, which is ineffable and unquantifiable, you can't answer to two masters at once," he said. "You can't answer to the shareholder, who is demanding value, and to the client, who is demanding differentiation."

For that reason, in fact, the standard model for ad agencies was to sell out to a holding company. In building a diverse portfolio of agencies, such a company could strategically offset the financial strengths and weaknesses of each agency. "We receive a lot of overtures from the holding companies," Lebowitz said. "We've spoken to WPP. We've spoken to Omnicom. We've received overtures from agencies within Interpublic Group. So that's a very clearly defined path for me." But the downside of accepting such an overture was clear, as Rosenberg explained: "A holding company really only cares about managing to a spreadsheet: 'Profits are down? Let's fire some people.' Or, 'You must grow 18% this year, even if that means you're going to take on the world's most mind-

numbing client, who happens to have a lot of money to spend.'" The "easy math of the agency business," as Rosenberg called it, could be brutal.

"Another route that can be taken is what AKQA did," Lebowitz said. "They were privately held, and they sold to private equity in order to build a global brand." The private-equity approach provided a measure of protection against investor pressure. But there, too, Big Spaceship would lose control of its own destiny—and its ability to grow at its own pace. So Lebowitz held out the hope that the firm could remain independent: "The other possibility, which is what I've always done, is say, 'Well, we're different from everybody else, and we've done really well growing organically to this point, and we've created an excellent name for ourselves. Why can't we just do this on our own?'"

The Size of It

Early in the history of Big Spaceship, Lebowitz had no thought that it would ever grow "beyond 12 people," he recalled. By 2008, though, he was eager to see the firm expand beyond its boutique status, and the challenges that came with growth weighed on his mind and that of his colleagues. "I've always said, 'Growth is a side effect, not a goal' for a company like this," Lebowitz said. He worried about retaining the link between the firm's culture and its people, for example: "Even if you're hiring the right people, if you're hiring them too fast, you experience such cultural shifts that you hamstring the real value of the asset that you have. I've got nothing at the end of the day when these people walk out. I've got a big dusty room full of computers. It has zero value at all." The effect that rapid growth might have on the kind of work that Big Spaceship undertook was another source of concern. "I would rather stay small and focused and really, really good at what we do than get big and sacrifice all of that—any day of the week," Lebowitz said. "The quality of the work and the opportunity to innovate is so much more interesting to me than the opportunity to, you know, land Procter & Gamble and do every bit of digital work for them. That sounds like a nightmare to me."

One of Lebowitz's lieutenants was especially leery of what might happen if Big Spaceship were to make growth a top priority. "I don't measure success by how many people we are," Hirsch said. "I'm proud that we've grown how big we have in six years. It's cool. I think we're a very good size now. I like how manageable it is." Like Lebowitz, he also noted the connection between the firm's business model and its current scale: "We could raise our margins in a lot of ways, but we've made a conscious decision to work how we want to work—as long as it's sustainable, which it has been."

A company like Big Spaceship built its reputation by delivering customized service. Growth posed a threat to that model. "You deal with the growing pains of 'How do we scale these things out when we're dealing with as many as a dozen high-level clients that want great work?'" Lyman said. Many clients depended on the personal attention that Lebowitz gave to their projects—and on the trust that stemmed from that effort. "Mike, in particular, is incredibly important to their continued success," Robbins argued, "because their product changes every time they do it. Each project that they do is a unique new thing, and kind of built from scratch."

Despite all such concerns, Lebowitz expressed a clear desire to "start creating growth and increasing those revenues." Rosenberg, newly hired in order to move Big Spaceship toward its next stage of development, made the case for expansion: "Why growth? Well, it's growth that gives you flexibility. This is a company that has chosen its clients, right? I assume that we're here in business to make money, and being satisfied with zero growth is not really 'making money.' It's a private company, but there are still shareholders who want to maximize the value of their participation in the company." Even Hirsch acknowledged one key benefit of growth: creating a ladder of opportunity for employees. "In a small company like this, there are only so many gradations of how high you can

get in the company," he said. Talented employees, denied a chance for advancement, might therefore quit the firm eventually.

How big, exactly, should an agency like Big Spaceship become? People within the firm's orbit had thought a great deal about that question. "Certainly, a company that has 100 people is going to be a dramatically different place from a company with 1,000 people," Robbins said. Even so, he added: "If you have a company that's 50 people, you can keep that culture going until you hit maybe three times that—150 people or so." Big Spaceship leaders had a specific number in mind about the size at which they could sustain their current operation. "I think 75 is probably a cap on being able to maintain the kind of functionality, accountability, and approach that we have for what we're doing," Prohaska said. He cited the experience of fellow members of the Society of Digital Agencies, a trade group that Lebowitz had helped to start: "A lot of the models are operating around 45 to 75 people. Some people have tried to grow larger than that, and the volume of people starts to lead toward a kind of corporate structure." Lebowitz, eager to retain the vibrant, collaborative spirit of the DUMBO site, said, "I can probably have this place [the Brooklyn office] at 75 and be happy. I wouldn't want it to get much bigger, because that's the point at which people stop knowing each other's names."

But Lebowitz resisted the notion that he should limit the agency as a whole to any given size. "Some people talk about the 'Rule of 150.' I don't believe in that at all," he said, referring to the idea that a company with a head count of more than 150 would invariably lose its small-company culture. "It depends on what your product is, I guess. But I could start another office in London or San Francisco, or wherever, if I could figure out how to infuse the culture into that place. They could build up autonomously, but the company would have the aggregate scale." Lebowitz, moreover, believed that the new team system might provide a model for expanding the agency by way of such "self-organizing autonomous modules."

Big Spaceship had experience with operating a satellite office. A few years previously, when a high proportion of the firm's business was coming out of Hollywood, Lebowitz opened a branch in Los Angeles. The venture did not go well, and he closed it down after less than two years. The key mistake, in Lebowitz's view, was to assume that the firm would profit from being near its clients. What really mattered most was its proximity to a suitable talent pool. "The culture out there is wildly different than it is here," Lebowitz said. "It's a one-industry town, and one-industry towns tend to have highly paid freelancers who can bounce from job to job. And in LA, where there's also a beach, surfing, loosey-goosey culture, it leads to what we perceive to be an inferior work ethic." Eventually, he added staff to the firm's Brooklyn office and moved all LA-based accounts back to that location. "It wasn't like it was a financial failure," he said. "We were making money with extra staff, but we weren't getting anything in addition to just having more staff."

In general, a degree of caution marked Lebowitz's approach to expanding his firm. "It's complicated. The inclination is always, 'Well, let's just add more teams.' That solves the short-term problem. But it doesn't actually solve the long-term problem," Lebowitz said. At present, Big Spaceship was in a position to turn away business. But the market for its work could soften, and then "suddenly you've got all of these teams that you can't feed," he explained. Rosenberg stated the matter plainly: "Revenue growth and resource growth have to scale together, or as close together as you can possibly manage."

To ensure sustainable revenue growth, Big Spaceship had to do more than simply take on more business. It had to generate the right kind of business. "They could expand their scope of services. That would be one way to scale," Robbins said, noting that many ad agencies built stable revenue streams by doing PR work, media buying and planning, and the like. "Or they could just work with top-tier clients on big, big projects, and strive to have bigger profit margins on the projects that they

do." Rosenberg had joined the firm, at least in part, in order to focus on the latter approach. "Five years ago, this company was probably looking at an average engagement of between $100,000 and $150,000," he said. "Now we're looking at an average engagement being a multiple of that. But why deny ourselves access to projects that are significantly larger than average?"

In addition, Rosenberg aimed to support expansion through the cultivation of repeat business. "The efficiency of repeat business is lower cost of sale: You don't have to spend as much to keep the pipeline going," he said. "If you need $2 million worth of growth, getting ten $200,000 projects is harder than getting one $2 million project." Adopting that strategy would require Big Spaceship to alter some of its key business practices. It would need to compete aggressively to win contracts, for example, and to invest up-front in preparing bids and proposals. "If you limit yourself to clients that will hire you based on a flip through your portfolio, you're limiting your opportunities to work with people who do a greater degree of diligence around their procurement," Rosenberg said.

Leading Question

If Lebowitz and his team wanted to see Big Spaceship grow, they could no longer avoid adding extra layers of management. "Michael and Josh and I have been balancing a lot of different roles for the last couple of years," Prohaska said. "We're not as effective in every single category as we could be." The firm's front-line employees, moreover—who routinely took responsibility for multi-million-dollar projects—were very young. (According to Hirsch, their average age was in the mid-twenties.) Building a structure of leadership around them was therefore an increasingly pressing concern.

Hiring Rosenberg, in August 2008, marked a key move toward filling out the firm's managerial ranks. "The make-it-up-as-you-go entrepreneurship of Big Spaceship has been great and has carried it pretty far," said Rosenberg, who came to the firm from Organic, a digital agency owned by Omnicom. "But I think there's also some operational rigor that comes from having been part of a holding-company-led agency." His mandate chiefly involved bringing that rigor to the external side of the firm's business. "One of the things that Michael tasked me with is taking the role of client engagement. It includes developing new business, which is initial engagement through creating a stable pipeline of repeat business from clients," he explained. The job also included handling "the routine client stresses" of agency life. "I'm there to be the clutter buster," Rosenberg said.

Big Spaceship leaders sought to bring in people to supervise internal operations as well. Lebowitz planned to hire two managers in the near term—one to oversee the firm's strategists and one to lead the design group. "The designers are challenged, in many ways. They don't have somebody who's pulling them all together," he said. Ideally, the firm "would have team leads for all the disciplines," Lebowitz said. "But we struggle to hire very, very senior people, because they're very expensive."

Ultimately, the future of Big Spaceship depended a lot on how Lebowitz shaped his own role. His talents as an executive were evident. "He's built to do this," Hirsch said. "He's just one of those CEO types. He's a great communicator, and really passionate about what he does. He's good at being a boss who people respect, and he respects people." But Hirsch also suggested that Lebowitz had a weakness when it came to delegating responsibility, and was "torn" between creative work and more client-centered work: "I think sometimes he wants to have his cake and eat it, too. He wants to remove himself from day-to-day stuff, but then, when he hears about something and feels like he's been missing out on it, he wants to contribute and be part of it."

The Final Frontier?

The central challenge for Big Spaceship in 2008 was whether and how it could retain its boutique culture while transcending its boutique size. Lyman framed the issue sharply:

> One thing that Michael has going for him is ethos. If your company is founded on the right principles, and the ethos of its founders continues to sort of permeate the work that you do, then I think you can really, really grow. If a company kind of loses its core principle in the sheer pursuit of growth, and compromises some of those values, then in the long term you'll see a dilution of the work. And in this industry, when the work gets diluted, there's always another young upstart agency with only ten people who is threatening your business.

At a practical level, the agency's ability to expand successfully hinged on its new team structure. Potentially, at least, that structure could serve as a mechanism for extensive organic growth—a means of colonizing more and more of the digital advertising space, one team at a time. Could Big Spaceship grow to become a "mother ship" that spawned numerous smaller "ships," each of which charted its own orbit and carried its own version of the firm's unique cultural payload? And, if so, where would that strategy leave the mother ship and its captain, Michael Lebowitz?

Exhibit 1   Michael Lebowitz and Big Spaceship: Timeline

| Year(s)	Development
1994	Lebowitz graduates from Vassar College with a degree in film
1996–1997	Lebowitz works as an intern at Stumpworld Systems
1997–2000	Lebowitz works at digital agency Thoughtbubble in production and multimedia
2000	Lebowitz founds Big Spaceship in March, in Brooklyn, New York
	Company begins working with Miramax Films
2001	Staff reaches 5 employees
2002	Staff reaches 7 employees
	Company begins working with Sony Pictures
	Company invents its own multiplayer game engine, and creates a multiplayer game for *Four Feathers: Battle for the Sudan* (marking the start of a relationship with Paramount Picture)
2003	Staff reaches 15 employees
	Company develops the "Screen Machine" Wallpaper Creator and first uses it in *SpyKids 3-D: Game Over)*
2004	Staff grows from 20 to 30 employees
2005	Staff grows from 30 to 40 employees
	Company, in partnership with Sony Pictures and Adobe, develops the teaser site for *Underworld: Evolution*
2006	Staff grows from 40 to nearly 50 employees
	Company moves into a new, larger space in the DUMBO section of Brooklyn
	Company launches Nike Air project in July
2006–2008	Lebowitz serves frequently as a juror for creative awards shows, including Cannes Lions, the One Show, Communication Arts Interactive, Webby Awards, and D&AD
2007	Staff size stabilizes at 45 to 50 employees
	Company adopts a cross-disciplinary team structure
2008	Lebowitz co-founds and serves on the inaugural board of SoDA (Society of Digital Agencies), the first trade organization for digital media

Source: Big Spaceship.

Exhibit 2 Big Spaceship: Selected List of Project Launches

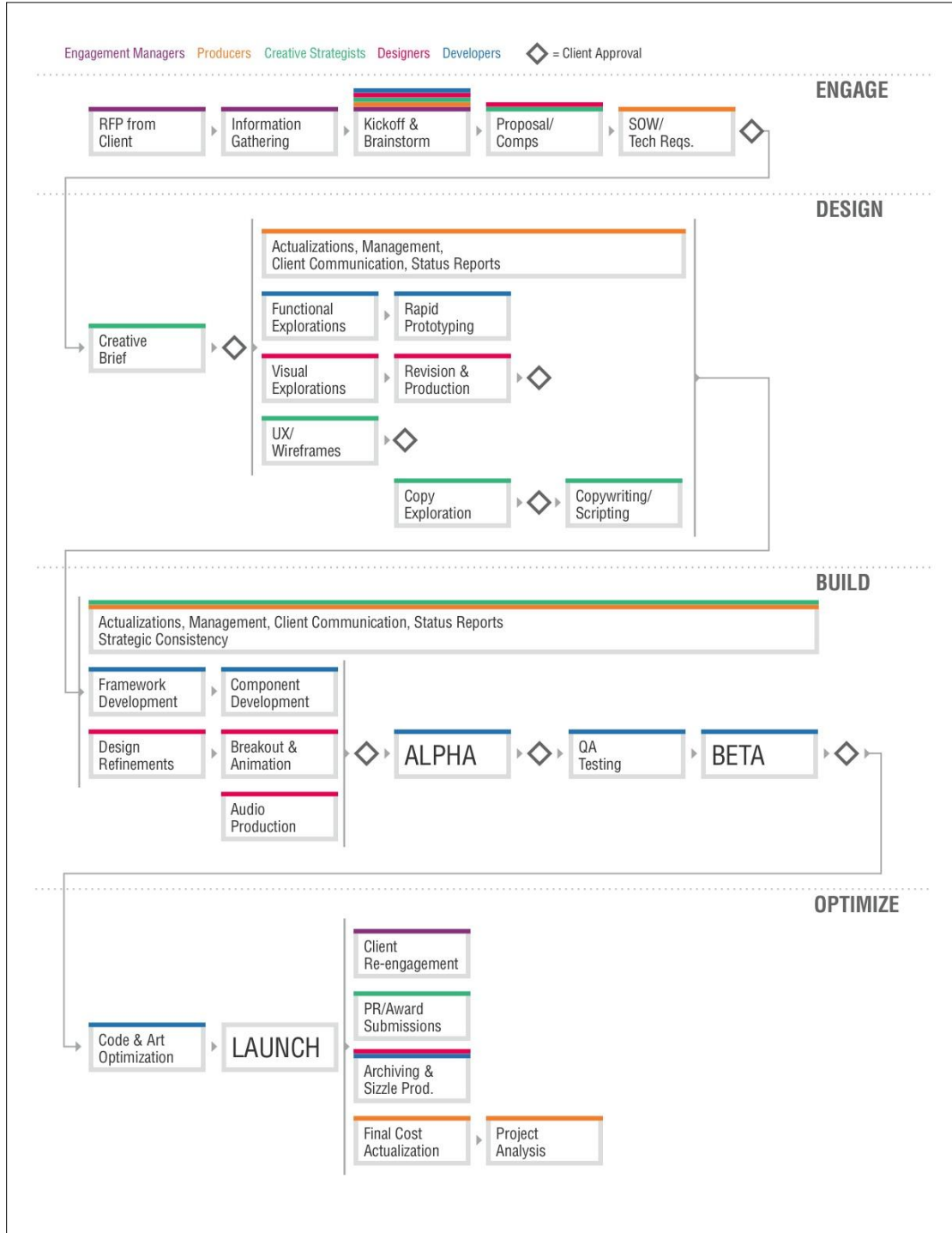| Year	Project
2001	"Miramax Highlights 2000" (Miramax Films), *Serendipity* (Miramax Films), *Bridget Jones' Diary* (Miramax Films)
2002	*The Sweetest Thing* (Sony Pictures), *Stealing Harvard* (Sony Pictures), *The Four Feathers* website and game (Paramount Pictures), *Adaptation* (Sony Pictures), *Signs* DVD (Buena Vista Home Entertainment), *Gangs of New York* (Miramax Films)
2003	*How to Lose a Guy in 10 Days* (Paramount Pictures), *Old School* website and game (DreamWorks Pictures), *Identity* (Sony Pictures), *Down with Love* (20th Century Fox), *Underworld* (Sony Pictures), *Spy Kids 3-D: Game Over* website and game (Miramax Films), *Once Upon a Time in Mexico* (Sony Pictures), *Gothika* (Warner Bros. Pictures), *The Missing* (Sony Pictures)**,** *Cold Mountain* (Miramax Films)
2004	*The Prince & Me* (Paramount Pictures), *Starsky and Hutch* website and game (Warner Bros. Pictures), *I, Robot* website and game (20th Century Fox), *Dodgeball* game (20th Century Fox), *Alien vs. Predator* game (20th Century Fox), *The SpongeBob SquarePants Movie* game (Paramount Pictures), *The Stepford Wives* (DreamWorks Pictures), Wimbledon website and game (NBC Universal), Sony Walkman (Sony), *The Grudge* (Sony Pictures), *Alfie* (Paramount Pictures), *Alexander* (Warner Bros. Pictures)
2005	"Contemporary Voices" (MoMA), *Sin City* website and game (Miramax Films), *Fantastic Four* game (20th Century Fox), *Batman Begins* (Warner Bros. Pictures), *Crash* (Lion's Gate), *Dark Water* (Disney), *Charlie & the Chocolate Factory* website and game (Warner Bros. Pictures), *The Adventures of Sharkboy & Lavagirl in 3D* (Miramax Films), Coke Zero (Coca-Cola), *The Skeleton Key* (NBC Universal), *War of the Worlds* website and game (DreamWorks Pictures), *The Squid and the Whale* (Sony Pictures), *Into the Blue* (Sony Pictures), *Lost* (ABC), *The Legend of Zorro* website and game (Sony Pictures), *Where the Truth Lies* (THINKFilm), LG product demos (LG Electronics), *Wolf Creek* (The Weinstein Company), Billboard.com (VNU eMedia), *Underworld: Evolution* website and game (Sony Pictures)
2006	*The Fountain* (Warner Bros. Pictures), "TBS Dept. of Humor Analysis" (TBS), *Silent Hill* (Sony Pictures), *The Da Vinci Code* (Sony Pictures), Full Throttle Energy Drink website and game (Coca-Cola), *Casino Royale* strategy game (Sony Pictures), *Pulse* (The Weinstein Company), Nike Air (Nike), *Stranger Than Fiction* (Sony Pictures), 300 (Warner Bros. Pictures), *The Hollywood Reporter* (VNU eMedia), "Hungry Suitcase" (Royal Caribbean), *Grindhouse* (The Weinstein Company), Target New Year's Eve Times Square billboards (Target)
2007	Krispy Kreme motion graphics (Krispy Kreme), "OfficeMax: Arcade" (OfficeMax), *Spider-Man 3* game (Sony Pictures), *Ghost Rider* (Sony Pictures), *Premonition* (Sony Pictures), Ford Flex (Ford Motor Co.), "50's Calling" (Glaceau), Glaceau (Glaceau), "HBO Voyeur" (HBO), "The Ultimate Search for Bourne with Google" (NBC Universal), *30 Days of Night* website and multiplayer game (Sony Pictures), *Breaking Bad* Facebook application (AMC), Adobe Flash On (Adobe)
2008	"The Corona Beach" (Corona), *In Plain Sight: WITSEC Confidential* game (NBC Universal/USA Network), *The Andromeda Strain* (A&E Entertainment), *What Happened in Piedmont?* (A&E Entertainment), Adobe MAX 2008 branding (Adobe), "Discover Your Epsonality" (Epson), *Quantum of Solace* multiplayer game (Sony Pictures), Second Life user experience redesign (Linden Lab)

Source: Big Spaceship.

Exhibit 3   Big Spaceship: Screenshots from Nike Air Project
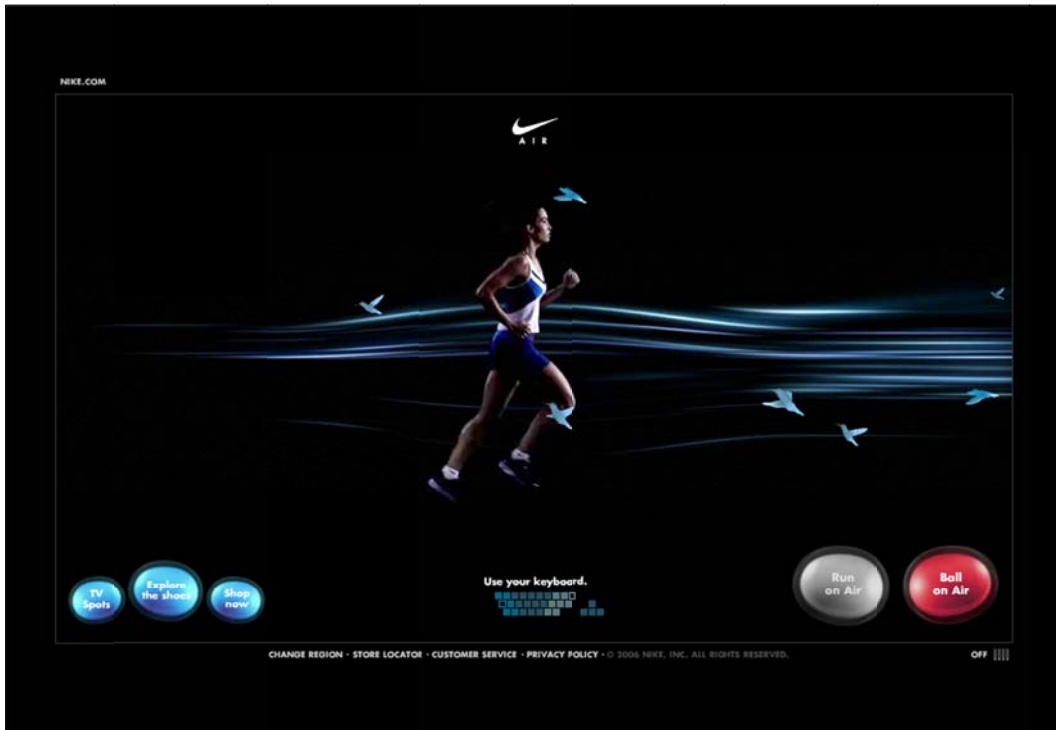
Source: Big Spaceship.

Exhibit 4   Big Spaceship: Flowchart for Nike Air Project

Source: Big Spaceship.

Exhibit 5   Big Spaceship: Client Communication Material

How We Work

Our process is comprised of three main phases: Discover, Design and Build.
   In each, we collaborate with our clients to ensure continued project alignment and shortened development cycles.

Discovery
During this first phase, we begin with a deep dive where we find out everything we can about the project objectives and the audience. We combine these informed insights with our expertise on social and interactive media as we begin our creative concepting. Search Engine Optimization (SEO) is always top-of-mind, as measurement is key to all that we do. We believe that the best ideas are born out of collaboration and trust. Though our ideas are often conceptual in nature, we will clarify the thinking behind them, as well as the individual components and how they'll unite within a digital platform. The output of this phase includes an approved campaign and creative strategy, SEO recommendations, look and feel boards, high-level site maps or wireframes and technical plans.

Design
During the Design phase, we define the experience. Our ideas evolve into something tangible. Going beyond design look and feel, we lay out the information architecture [IA] and characterize style, copy tone, sound design and any other necessary elements. We believe that solid IA is central to creating a successful digital experience. Keeping the audience at the forefront, we make a blueprint that, when brought to life, will tell a story that seamlessly blends design, functionality and content. Big Spaceship's IA/UX [information architecture/user experience] team will define the architecture while our designers and technologists keep it grounded in the doable.

Build
In the final phase, Build, we make the experience real. Our core team members work together to ensure continuity throughout the project as we optimize it and ultimately launch the experience. Once it is live, we monitor its performance—editing, updating and tweaking to ensure that it performs at peak level.

Source: Big Spaceship.

Exhibit 5 (continued)   Big Spaceship: Client Communication Material

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Big Spaceship Value Proposition

Big Spaceship is an innovation-led digital creative agency. We create and evolve deeply engaging experiences, products and relationships. Put another way, we start conversations and tell stories across the digital landscape.

Our approach to producing exceptional work is successful in that our culture and philosophies are defined through our efficiency, our quality of work and the relationships we build with clients. In this way, we differentiate ourselves from other agencies.

Unique Resource Management

Our company structure bucks the status quo (on several levels). Our horizontal approach focuses on cross-disciplinary collaboration. What does this mean? For starters, although we are all specialists in what we do (whether that's programming or user experience strategy, for instance) there are no barriers between departments. We have four core disciplines: strategy, production, development and design. A single team comprised of those areas works on an engagement from concept through launch. Furthermore, each team member is involved from the very beginning, which leads to commitment, passion and stronger results.

Business efficiency is at the center of this model. The team that devised the concept is the one that will be bringing it to life, ensuring that the idea and the execution are seamless. Because strategists are involved throughout, the strategic vision never wavers. Because developers are brought in early on, they find ways to improve the overall experience, and they can identify setbacks before they turn into substantial roadblocks.

This collaborative approach saves time and money. Big Spaceship's efficiency has increased by 75% since the implementation of our unique team structure. Bringing a full team in early mitigates preventable errors. It also leads to innovative work. Since we're combining minds from various backgrounds and specialties, we are able to come up with dynamic, original ideas. We learn something from everything we build. We are constantly tinkering and testing, revising and optimizing, and incorporating our learnings into newer builds and more engaging experiences.

The Work We Choose

Big Spaceship has the rare luxury of being able to choose what we want to invest time in. In deciding what to take on, we consider our strengths while also seeking opportunities that stretch our talents and enthuse our teams. This leads to less employee turnover and greater innovation.

Honest Client Relationships

The relationships we foster are mutually respectful and open. We maintain a tradition of brutal honesty with our clients, communicating what our expectations are and what we need from them. Likewise, we are upfront with prospective clients about whether or not we believe we're the best agency for them. The recommendations we make during the course of an engagement are not necessarily what the client had in mind when they hired us, but they are always informed by insight and the multiple perspectives that our structure enables. These clear channels of communication allow the inevitable challenges we encounter to be dealt with transparently and in a spirit of mutual understanding.

Cautious Growth

For many agencies, growth is a primary goal. While Big Spaceship has and will continue to grow, we do so carefully. Sometimes it's harder *not* to grow, but we see unmanaged growth as a risk. We add to our teams only when we feel our culture can be maintained and our quality can be enhanced.

Big Spaceship is a different kind of agency. We stand apart because our culture is one that breeds creativity. Our structure is far greater than a branded sales device. It is inherent to our work process. The philosophies we adhere to allow us to deliver optimal work at the cost that we can. They are why we are seen as an ideal workplace and a remarkably unique culture. They are at the root of how we innovate.
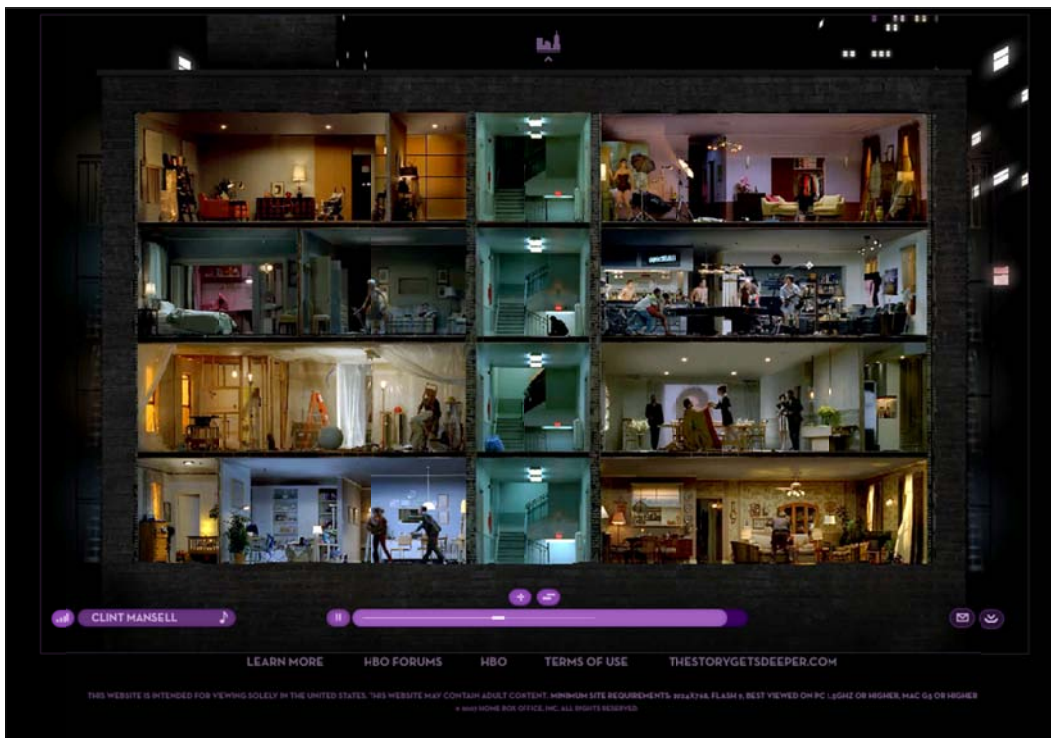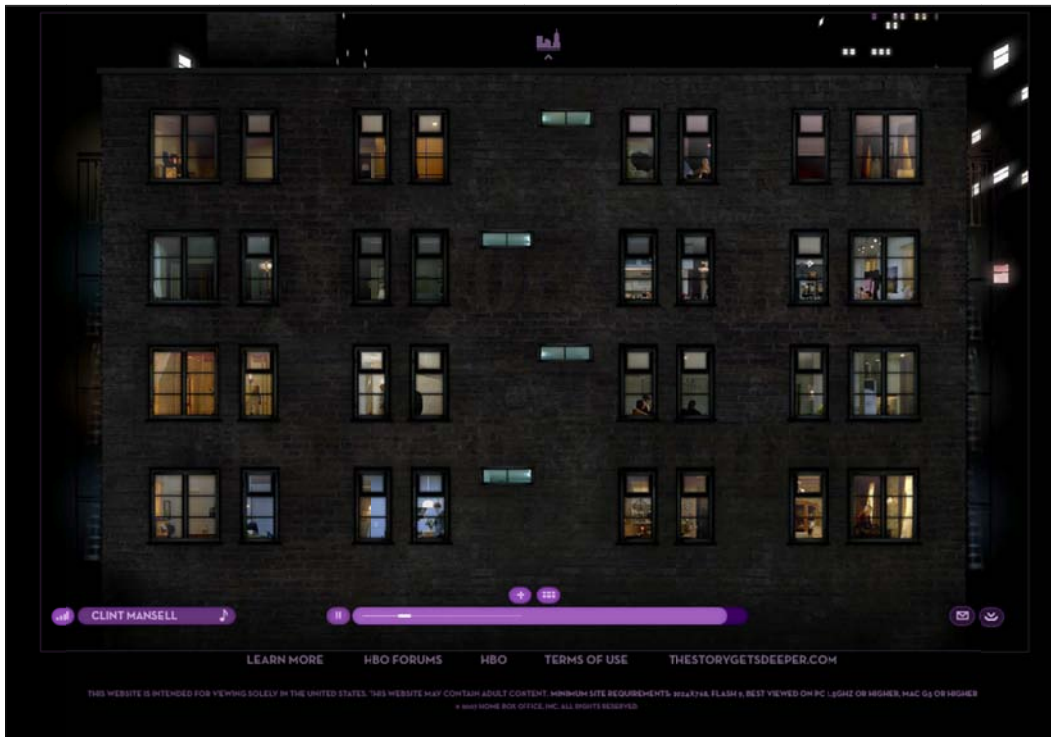
Source: Big Spaceship.

Exhibit 6   Digital Creative Industry: Competitive Overview
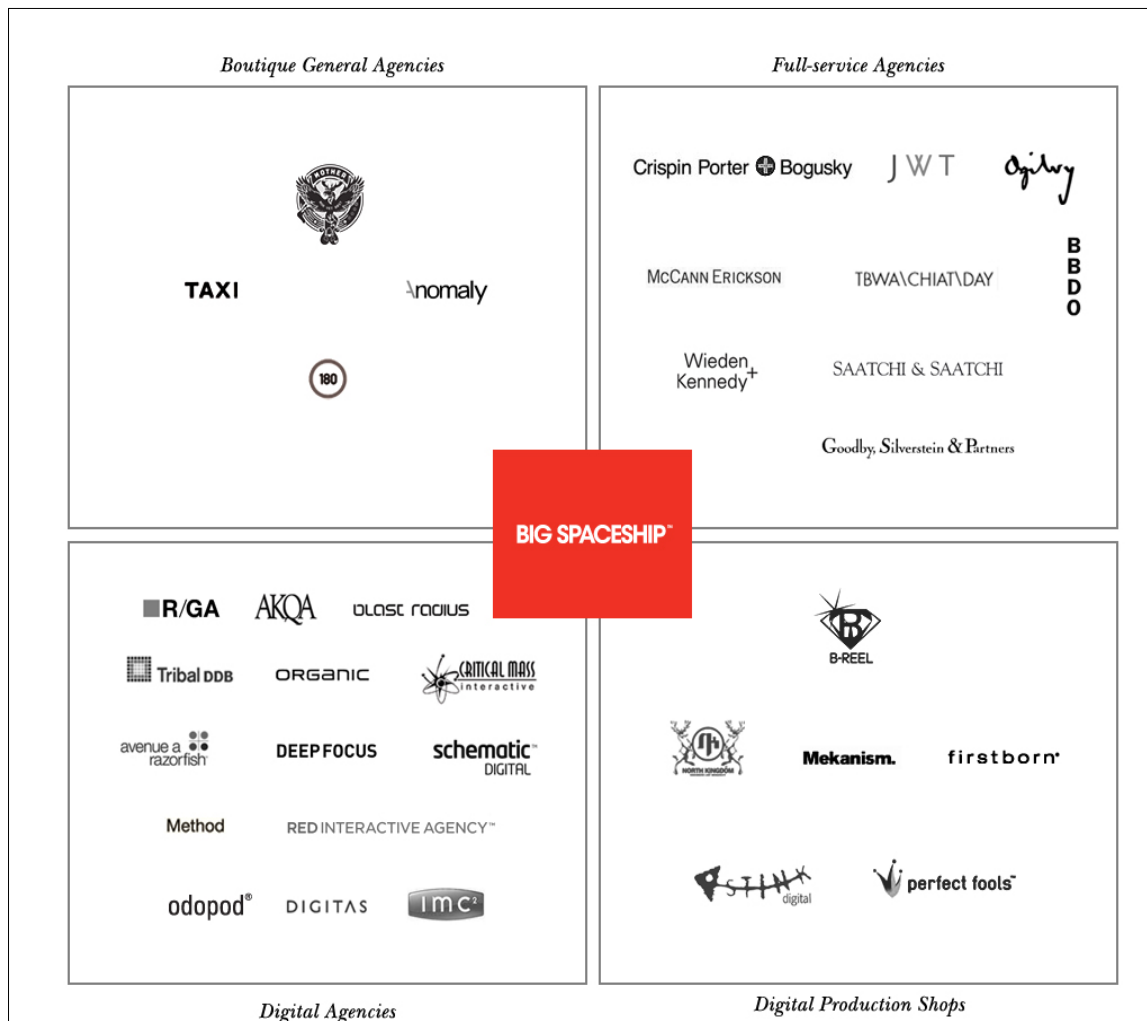
Source: Big Spaceship.

**Exhibit 7**   Big Spaceship: Screenshots from "HBO Voyeur" Project

Source: Big Spaceship.

Exhibit 8   Big Spaceship: Selected List of Awards Received

Year	Award
2002	Summit Awards: Gold (*Serendipity*)
	Omni Awards: Gold (*Bridget Jones' Diary*)
2003	Cannes Cyber Lions: Bronze Lion (*Identity*)
	Summit Awards: Gold (*The Four Feathers*)
	Favorite Website Awards: Site of the Month (*Identity*)
2004	One Show Interactive: Bronze (*Identity*)
2005	Cannes Cyber Lions: Bronze Lion (*The Grudge*)
	One Show Interactive: Silver (*Elektra*)
	Summit Awards: Gold (*I, Robot*)
2006	Cannes Cyber Lions: Gold Lion: Travel, Entertainment and Leisure ("TBS Dept. of Humor Analysis"), Bronze Lion: Game (*Underworld: Evolution*)
	Webby Awards: Winner: Art (MoMA "Contemporary Voices")
	Favorite Website Awards: Site of the Month (Nike Air)
	Pixel Awards: Winner: Sports (Nike Air), Animation (Nike Air)
2007	One Show: Silver Pencil (Nike Air)
	SXSW Web: Winner: Best Motion Graphics ("Hungry Suitcase")
	Favorite Website Awards: Site of the Month ("HBO Voyeur," "Hungry Suitcase," *30 Days of Night*)
	Pixel Awards: Winner: TV Category ("HBO Voyeur")
2008	Cannes Lions: Grand Prix-Integrated Promotional Campaign ("HBO Voyeur"), Gold-Cyber Lion ("HBO Voyeur"), Gold-Integrated Film ("HBO Voyeur")
	Clio Awards–Gold: Consumer Targeted Site & Video-Moving Image ("HBO Voyeur")
	One Show Interactive: Corporate Image Merit Award (Adobe Flash On), Corporate Image Pencil ("HBO Voyeur")
	One Show Entertainment: Silver: Online ("HBO Voyeur")
	Webby Awards: Television ("HBO Voyeur"), B2C (Adobe Flash On)
	D&AD: Websites & Integrated ("HBO Voyeur")

Source: Big Spaceship.

Exhibit 9 Big Spaceship: Scenes of Office Life
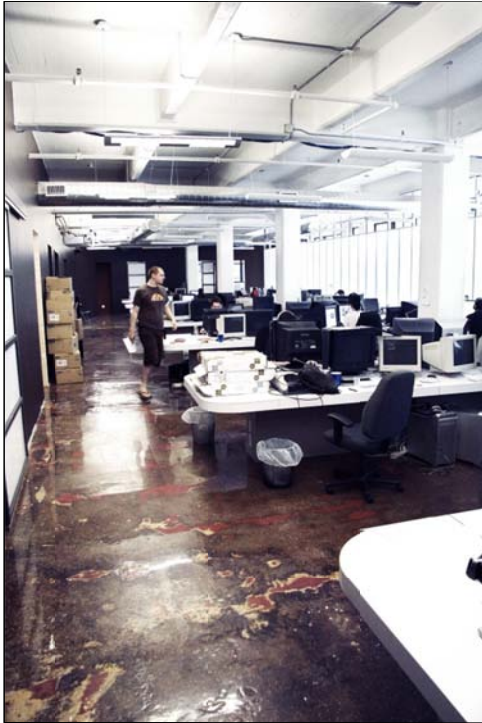
Source: Big Spaceship.

Exhibit 10   Big Spaceship: A Staff Portrait

Source: Big Spaceship.

Exhibit 11   Big Spaceship: Biographical Sketches of Senior Leaders

Ranae Heuer, VP of Production

Ranae leads the talented team of producers who keep the collaborative gears of Big Spaceship shifting smoothly. That means delivering topnotch work on time and within budget. Prior to joining Big Spaceship, she worked at Organic, Wunderman, and JWT. She has managed digital programs for Bank of America, Martha Stewart, Unilever, Chrysler, Ford, and others. A native of Detroit, Ranae has worked extensively on automotive accounts. But, while her Motor City ties are strong, she found liberation by moving to New York and giving up her car. Ranae is also a true foodie—the kind who appreciates molecular gastronomy and bacon equally.

Joshua Hirsch, Minister of Technology

Joshua became Big Spaceship's minister of technology in 2002. Once the agency's sole coder, he now serves as a mentor and leader for the entire development team, and is responsible for building numerous award-winning digital projects. As leader of the firm's R&D efforts, he oversees a constant stream of technical solutions and innovations. Josh is a member of the International Academy of Digital Arts & Sciences and a long-standing adviser on Adobe product launches. He shares his expertise at industry conferences, instructional workshops, and awards panels throughout the world. He is also a video game aficionado.

Michael Lebowitz, Founder and CEO

Michael founded Big Spaceship in 2000 and serves as its CEO. A board member of the Society of Digital Agencies (SoDA), he is also a member of AIGA's Visionary Design Council and the International Academy of Digital Arts & Sciences. He has spoken on creativity, innovation, and the role of engagement in digital communications at seminars across the globe, from Adobe MAX to the Click Conference to FITC. Michael is also a frequent juror for creative awards shows, including the Cannes Lions, the Clio Awards, and D&AD. He lives in Brooklyn with his wife, Stacie, and his son, Isaac.

S. Jason Prohaska, General Manager

In addition to keeping the bottom line in check at Big Spaceship, Jason oversees daily operations at the firm. His duties range from finalizing contracts to implementing procedural standards to exploring new partnerships, and he focuses on devising the very best "best practices" for the Big Spaceship crew. Jason's career has frequently fused art with digital marketing. In one previous role, he produced interactive and fine art projects for MoMA and the Guggenheim. Jason is well versed in art history, thanks to studies at Connecticut College and the University of Bologna, Italy.

Matt Rosenberg, Executive VP of Client Engagement

Matt joined Big Spaceship after a diverse career in the entertainment and digital communications industries. Previously, he supervised media and web development accounts for Organic. Between Organic and his earlier stints as director of film marketing strategy for Sony Pictures and as "Employee Zero" at Thoughtbubble, he has led more than 300 campaigns for clients such as 20th Century Fox, Martha Stewart Living Omnimedia, Bank of America, and Bose. His know-how ranges from business strategy to creative development, from media planning to social media. Matt has also worked as a screenwriter, with credits including the Emmy-nominated "Titus" and the acclaimed animated children's series "Recess."

Source: Big Spaceship; adapted by casewriters.

Exhibit 12   Big Spaceship: Work Flow by Function

|	ENGAGE project alignment	DISCOVER informed insight	THINK focused concepting	DESIGN make it pretty	BUILD make it real	OPTIMIZE make it better
Engagement Producers	gather info	support	support	support	support	re-engage
Creative Strategists	gather info	find opportunities	generate ideas	develop narratives & write copy	maintain continuity	promote & educate
Designers		research	generate ideas	develop comps & revise	break out design elements	tweak as needed
Developers		find opportunities	reality check	explore & prototype	develop & build alpha / beta	tweak & upgrade
Producers	support	gather more info	reality check	manage the process	manage the team	assess success

Note: Gray-screened bars indicate the level or intensity of involvement by each function at each stage of project work flow.

Source: Big Spaceship.

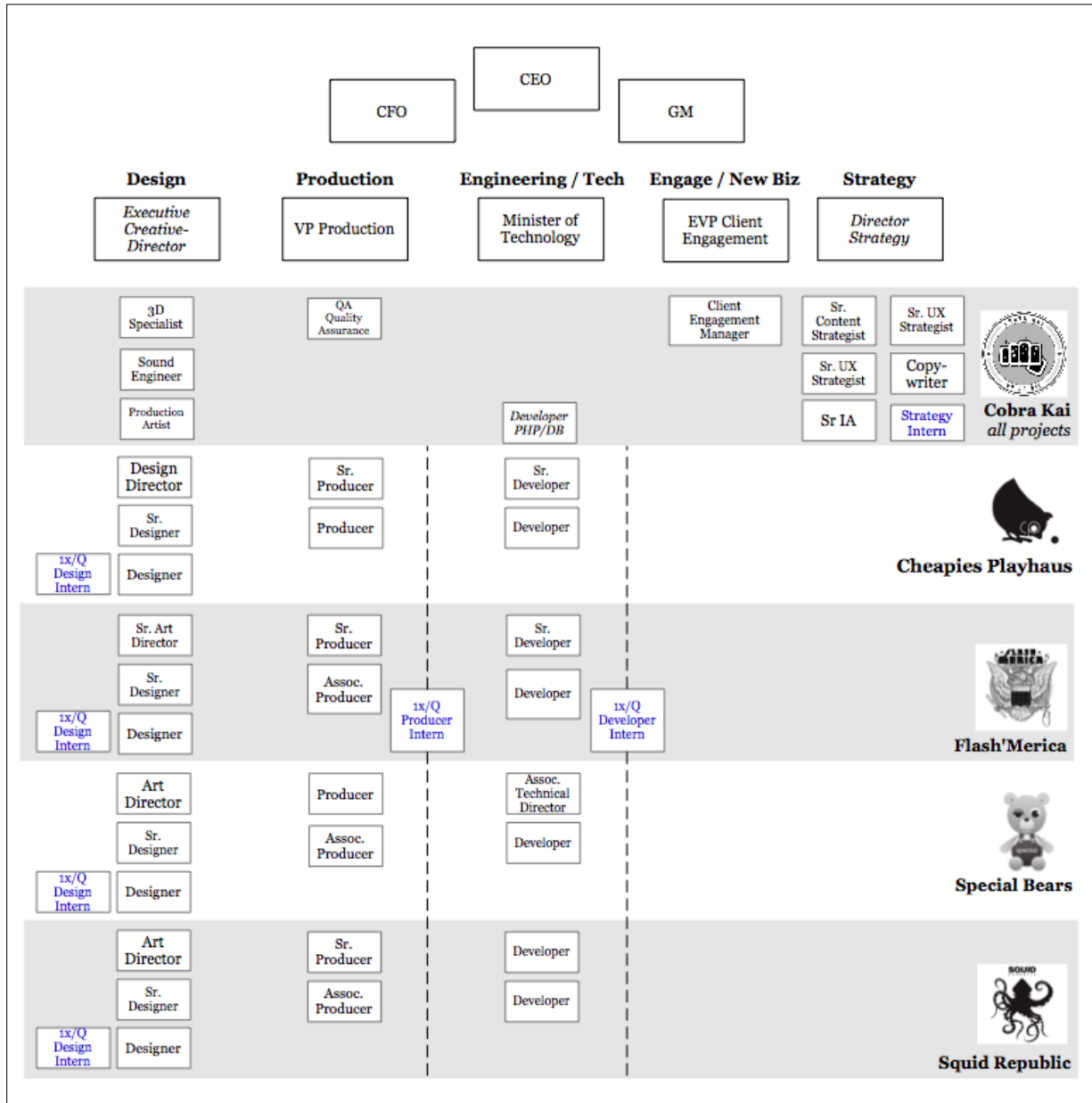**Exhibit 13** Big Spaceship: Organization by Function, Pre-2008
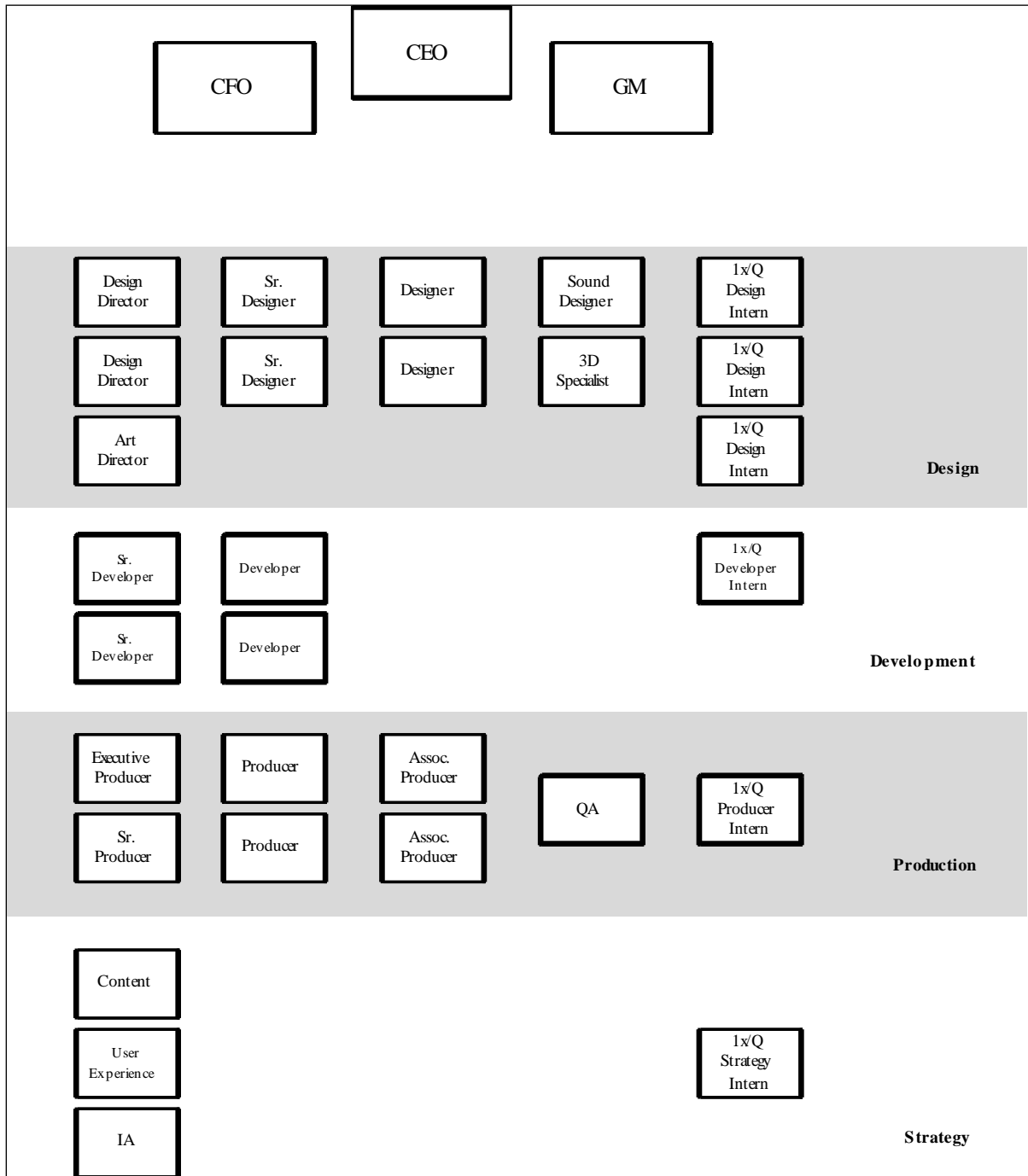
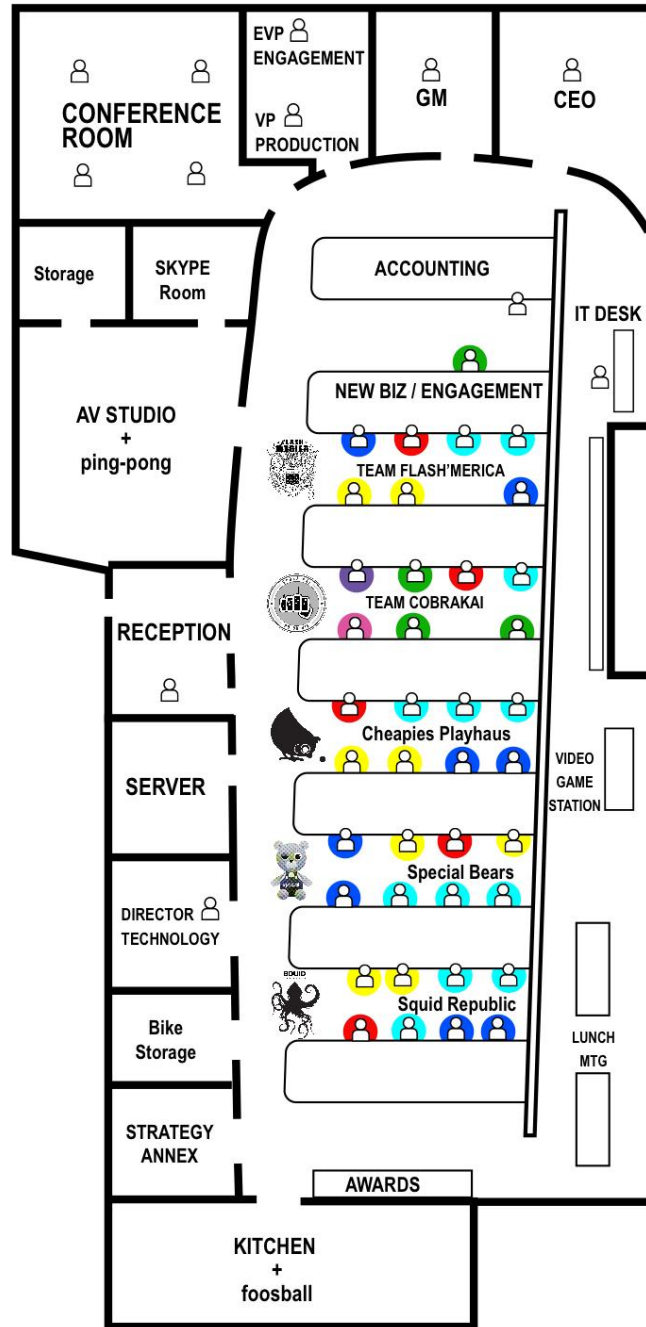**Exhibit 14**   Big Spaceship: Floor Plan of Work Space, Pre-2008
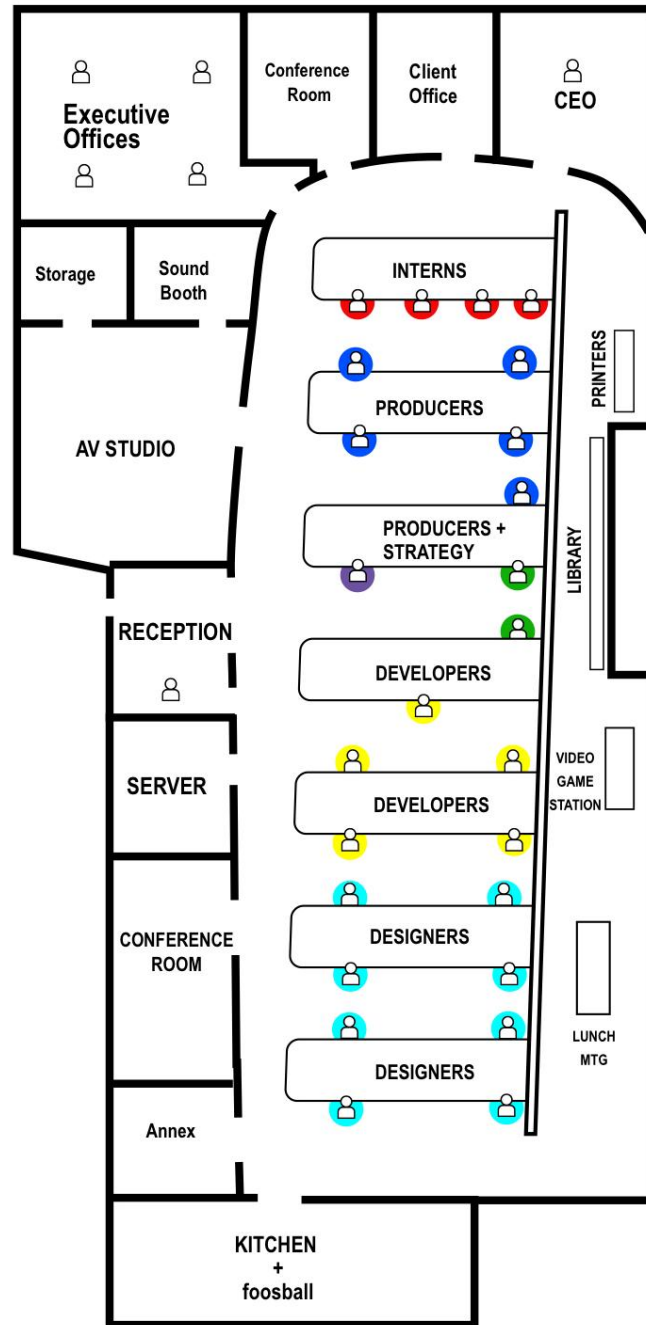
Exhibit 15 Big Spaceship: Organization by Team, 2008

Source: Big Spaceship.

Exhibit 16   Big Spaceship: Floor Plan of Work Space, 2008

Source: Big Spaceship.