

Advertiser WWP Says Business 'Very Strong' in Russia

By [The Moscow Times](#)

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Martin Sorrell, the chief executive officer of WPP Group.

LONDON — WPP, the world's largest advertiser, on Tuesday said its business was very strong in Russia in the first half of 2014, but expects it to weaken in the second half as Western sanctions against Moscow over the conflict in Ukraine start to bite.

On the same day that the company reported stronger than expected profit growth, its founder Martin Sorrell said in an interview that the situation in Ukraine and the impact of the West's stand-off with Russia had replaced the health of the euro zone as the major geopolitical worry.

"Anxiety is heightened so it will make clients more cautious," he said. "It's very difficult to see a way through these current problems between Russia and the rest of the world over Ukraine."

But those concerns were outweighed by a small improvement in the global economy, which is encouraging companies to spend more of their ample cash reserves.

WPP's shares were trading up 1.6 percent at 1.247 pence at 7:35 a.m. GMT after earlier hitting a seven-week high of 1.269 pence.

Sorrell has built WPP into the world number one by acquiring companies in the fast-growing digital advertising sector, and was a step ahead of rivals in moving aggressively into faster growing markets in the Asia-Pacific region and elsewhere.

It has also benefited from a failed merger attempt by rivals Omnicom and Publicis. Sorrell says his agencies picked up clients and staff from the two companies while they were wrapped up in the details of the alliance.

WPP posted adjusted pretax profit of £532 million (\$882 million), up 1.5 percent on a constant-currency basis. Analysts had expected pretax profit of £521 million. Organic revenue grew 4.1 percent.

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