

Cline Davis & Mann

Powerhouse firm expands globally and locally with staff, new assignments



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—Carol DiSanto

Cline, Davis & Mann, one of the giants of medical advertising, continues its international expansion and, in a bleak year, has bulked up, adding more than 100 staffers and seeing 20% revenue growth.

“I think CDM is probably something of a comfort brand in these times, because we actually had one of our better years in 2009,” says CEO Ed Wise. “It surprised us, because I think we started the year with a hunker-down mentality. We were very careful managing our growth and our costs and we were surprised by a lot of opportunity, including a lot of interest in new media and digital work that really supercharged our revenue for the year.”

The 575-person strong New York agency has poured a lot into bolstering its digital capability over the past several years, with digital experience a mandate for all new hires, and last year the shop brought on Christine Finamore from sibling CRM shop CDMiConnect to lead its digital efforts. So when clients switched

their sales organizations over to tablet PCs, CDM was ready.

“Reps are not holding pieces of cardboard,” says creative director Josh Prince. “They’re holding tablet PCs and shortly will be holding iPads, and the functionality and data collection that can be done on those devices is another version of what’s being done in the consumer world.”

Prince notes that the company’s in-house media buying and planning unit, freshly rebranded as SSCG Media, saw revenues derived from digital media rise from 5% in 2008 to 45% in 2009. To handle the surge in digital business, the shop has brought on expertise from the likes of Google and Buzz Metrics, along with multichannel strategist Steve Libenson, who recently joined CDM from Marketspace Advisory as SVP, channel strategy.

Under the leadership of longtime media director Debbie Renner, now managing director for the unit, SSCG Media is flourishing at a time when many medical agencies have dismantled their media departments. The unit doubled in size last year, to around 50 staff.

“Some of our largest clients have consolidated the totality of their professional media with us, regardless of what agencies of record handle the brands,” says Prince. That includes professional and digital buying and planning on the former Wyeth brands.

“We’ve always been about reaching the right customer with the right message,” says Wise. “Now we’re getting them at the right time and place.”

“There’s a combination of transference of knowledge and practice from the consumer world, which helps in areas like search and search targeting, and how that can be applied in the professional space,” says Prince. “And then there’s a lot of expertise we have from the professional side that we’re trying to infuse into the digital space, in knowing where the customers are and how to reach them. That’s informed a lot of the closed-loop marketing stuff that we’re doing, that integrates the media portion of what we do with the sales portion of reaching customers.”

Years ago, the agency made the strategic decision not to create a digital department, says Prince, “because every single one of our brands needs to think about, plan for and be able to reach customers regardless of where they happen to be.”

Adds CDM president Carol DiSanto: “At some point we’re not even going to talk about it as digital. It’s like dial tone. You need it. That’s the way we’re having our people look at it.”

Newer units, including consultancy Platform Advisors, which focuses on early commercialization, and brand/design shop Brand Anatomy, also grew healthily.

“They’re buying the service from us and they know it has to be pulled through because we’re working on the back end as well, and we have to live with the communications,” says DiSanto.

And CDM has established a production hub that will service all of the CDM shops come September, allowing the network to save money by pooling its

investment in tech. “It’s a way to extend our shard services model that we use for IR and HR and business development off to production services so that we can be more efficient and pass savings on to clients,” says DiSanto.

CDM also rebranded its managed markets group as Entrée Health and promoted the two heads of the group, Chuck Wagner and Nina Greenberg, PhD, to managing partner. With a staff of 140, Entrée Health is the largest access and reimbursement group in the business, says Wise.

Director of account planning Chris Fiocco was promoted to associate partner.

“This reflects the rise and importance of customer

Above: Journal ad for Genomic Health's Oncotype DX; Left: From an ad for Novo Nordisk's NovoLog FlexPen

insight in channel and brand planning,” says Wise.

Bayer's consolidation into WPP and Omnicom last year buoyed the agency's fortunes, as CDM and BBDO were tapped to handle the business at Omnicom. While much of that business has yet to be assigned, it's a big opportunity, says Wise. The shop will take on professional duties for Bayer Animal Health.

Another key win was that of Pfizer's Celebrex, and CDM picked up the business for Baxter's dialysis devices. Across 50 pitches, the shop boasted an 80% pitch rate in 2009, says Wise.

The shop's global reach was a key selling point for Bayer, as well as Novartis, Amgen and Merck Serono. This past spring, CDM announced it had acquired CDM World Agency shops in Paris, Milan and Montreal, adding to its network of agencies in London, Munich, Madrid, Barcelona and Sao Paulo.

“We didn't let the recession keep us from something we felt was important to do,” says Wise, “and I think



AT THE HELM

Carol DiSanto, president; Ed Wise, chairman and CEO; and Josh Prince, managing partner, chief creative officer

PERFORMANCE

Grew revenue by 20%

HIGHLIGHTS

Taking on professional duties for Bayer Animal Health, added Pfizer's Celebrex and Baxter's dialysis devices

Established a production hub which will service all of the CDM shops (coming in September)

Rebranded in-hour media buying and planning unit; saw its digital media revenues rise from 5% in 2008 to 45% in 2009

Also rebranded managed markets group as Entrée Health, it's the largest access and reimbursement group on the business

Brought in Christine Finamore from sibling CRM shop, CDMiConnect, to lead digital efforts

Bulked up staff by adding more than 100 people

CHALLENGES

Lost agency's biggest brand, Lipitor

Working with startups

For contact details, service offerings and client roster, see Agency A-to-Z, beginning on page 171

that paid off for us, because more clients are looking for complete global offerings. The whole consolidation trend has favored a company of our breadth and depth.”

CDM is also expanding in the US with the addition of a San Francisco office that opened in June. The 12-person office will service Genentech, among other clients, and will complement the agency's 20-person LA office.

The coming year will present challenges, including the loss of the shop's biggest brand, Lipitor. Wise says a well-tuned new business operation will help bridge the difference: “You'd be surprised if you ever saw our profit and loss sheet – the amount of business that doesn't make it through FDA creates significant craters in your books. We have a healthy new business machine and we get a lot of prospects and interest from clients working on their business.”

And, Wise notes that 60% of the shop's business is with brands with under \$1 million in revenue.

“We have a lot of small clients and we behave like a small agency in many respects, or we wouldn't be able to keep those clients,” he says. “Specialty markets are

Above: An ad for EMD Serono and Pfizer in support of the Nancy Davis Foundation's “Race to Erase MS”

the future and we're working with a lot of startups.”

DiSanto says that's what sealed the deal with Baxter.

“On the one hand, they were buying into us for the stability and comfort, the big brand experience – more billion-dollar brands launched than any other healthcare agency and all of that. But to know that they wouldn't get lost in the crowd either and that they're one of many under that \$2 million mark, that's comforting to them.” — Matthew Arnold