



AT THE HELM

Steven Michaelson, CEO

PERFORMANCE

Revenue up 20%, just north of \$15 million

HIGHLIGHTS

Acquired by Rosetta at the end of 2009

Added new assignments from Novartis (Exforge), Pfizer (Prevnar 13) and Baxter (Brevibloc)

In 2010, added high-profile brand Oxycontin to its roster

Headcount increased by 10

CHALLENGE

Finding its footing within new organization

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

Wishbone/ITP

Shop meets goal of enhancing digital offerings by being acquired by Rosetta



Wishbone entered 2009 determined to enhance its digital capabilities, whether via a hiring flurry or an acquisition. It ended it as a freshly minted acquiree, snapped up by one of the industry's pre-eminent digital players.

While that makes for a tidy narrative, what happened in between was far more interesting, highlighting the challenges faced by any small- or middle-sized shop as it attempts to keep pace with the digital revolution. Unlike many other agency chieftains, however, Wishbone founder and CEO Steve Michaelson knew that he had to move fast or risk falling behind. "We were slow on the uptake," he says frankly. "Knowing where the business is going, building a digital capability was very important for the survival of Wishbone and to the value we bring to our clients."

The quest to digitalize Wishbone had many twists and turns. While Michaelson started out hoping to establish a digital group internally, he found few candidates to his liking. When he turned to acquisition targets, he found few potential fits. When he explored partnering opportunities, he lamented their short-term and too-casual nature.

"Starting our own unit would have been difficult," Michaelson recalls. "I was interviewing feverishly, but I wasn't seeing people of the quality I needed to see. Most of the digital agencies we looked at were small and they were really in the consumer business, so it would've

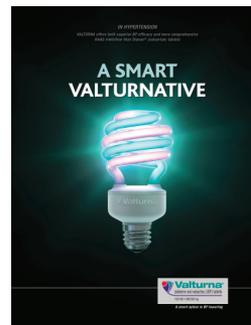
been like building from scratch. Partnering with a digital agency would have just been a Band-Aid."

Along came Rosetta, one of the few digital-first agencies with significant healthcare intelligence under its roof. Though Michaelson initially rebuffed the advances, he became more impressed with the agency when they collaborated on the launch of Otsuka Pharmaceuticals' Samsca, which treats hyponatremia.

"Rosetta was doing segmentation analysis, and that's all I knew about them," he admits. "I didn't realize their size." Later in the year, when Rosetta pressed its case more aggressively, Michaelson came around: "We like them; they like us. Strategically, it was right on target." Wishbone can now avail itself of Rosetta's extensive digital capabilities, while Rosetta can now tell digital-only clients that it has a professional healthcare marketing brand under its umbrella.

What changed Michaelson's openness to being acquired was his long-term view of the healthcare-marketing business. "Less than five years from now, there won't be any such thing as a traditional agency and a digital agency—there will just be one agency," he explains. "If you're a traditional agency and you don't build digital out, your slice of the pie is going to get smaller and smaller. If you're a digital agency and you don't get those traditional-type capabilities, you'll be relegated to back-end fulfillment type of projects."

Prior to the acquisition, Wishbone had better success than most in 2009. It grew its staff by about 10 people, to 77 total, and ended the year up 20% in revenue, to just north of \$15 million. New assignments included Novartis' blood-pressure drug Exforge, Pfizer's Prev-



Above: Professional ads for Valturna (left) and Samsca (right); Left: Part of a journal ad for Astegra 0.15%

nar 13 vaccine and Baxter's heart drug Brevibloc. Early in 2010, Wishbone won Purdue Pharma's Oxycontin, which instantly becomes one of the highest-profile brands on the Wishbone roster.

As for the post-merger integration, Michaelson reports few problems. Internally, any possible post-sale nerves were soothed when it was announced that Wishbone will retain its name and remain in its New York City offices.

"What we emphasized to everybody here was that Rosetta was buying the Wishbone brand," Michaelson notes. "Really, if you buy something and spend a lot of money on it and start making changes, that kind of kills the point of buying it." —Larry Dobrow

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