



AT THE HELM

Co-managing directors Mike Peto, Steve Nothel and Christian Bauman

PERFORMANCE

Revenue growth of 35% for 2010; on track for 20% in 2011

HIGHLIGHTS

Seven wins in 2011, with two big CNS brands, win rate at about 75%

Staff almost doubled from 95 to 180

Built up strategic planning, medical teams

CHALLENGE

Saw two assigned brands, fail in late-stage clinical trials

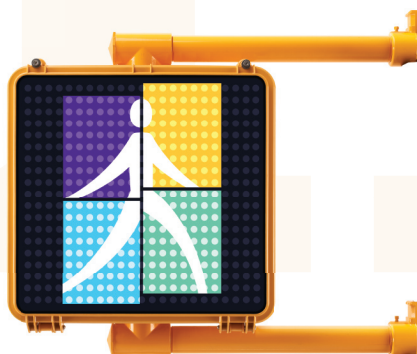
For contact details, service offerings and client roster, see Agency A-to-Z, beginning on page 171

“Ciba Vision was a great win for us...because we don’t want to be considered just another drug shop”

—Christian Bauman

H4B Chelsea

Conflict shop celebrates first year as standalone with double-digit growth



H4B Chelsea celebrated their first birthday as a standalone agency last month, having been spun off from Havas’ Euro RSCG Life network to serve as a thicker-firewalled conflict shop.

“The network got to a size where a break in that wave made sense,” says managing partner Steve Nothel, “but also there was an opportunity where the firewalls needed to be even thicker between agencies.”

The fledgling firm’s staff has nearly doubled in size, over the past year, going from 95 to 180, as revenues rose 35% in 2010 (they’re on track for a 25% revenue gain in 2011, the agency says). Driving that growth is a string of wins—seven since January, including two global accounts, on which the New York shop will be collaborating with its London sibling, and a pair of promising late-stage CNS drugs.

“Those were phenomenal wins for us,” says creative director Christian Bauman, who this year was named managing partner alongside Mike Peto and Steve Nothel. The CNS wins will tap the shop’s deep heritage in and expertise on CNS therapies, says Bauman. H4B (formerly known as “Health4Brands”) Chelsea has also established expertise in oncology, with a standalone high science group servicing brands

for Genentech and Medivation/Astellas.

H4B didn’t lose any business over the past 12 months but did see two of the brands it handled choke in phase 3 clinical trials—Pfizer and Medivation’s Alzheimer’s candidate Dimebon and Ipsen-Roche/Genentech’s taspoglutide, for diabetes. The taspoglutide loss hit the shop’s San Francisco office, which boasts three clients, two of them new.

H4B’s top client is Pfizer, and the agency has a long history with Wyeth brands. Other clients include J&J’s Janssen, Novartis, GSK and Savient, for which the shop is launching gout treatment Krystexxa. A lot of the growth has come in digital assignments, which now comprise a quarter of the shop’s business. Rather than maintaining a separate digital group, H4B Chelsea has integrated digital expertise throughout the agency, says Nothel.

“It used to be ‘Well, you’re an HCP agency so we’ll give you the HCP assignment,’ but now we’re getting much more integrated assignments from many of these new business wins,” says Peto. Those assignments include managed care, medical communications and patient or consumer marketing. In fact, last year, the agency executed TV ads for Warner Chilcott’s Atelvia, for osteoporosis, and Lo Loestrin birth control.

The company has also seen growth in its strategic planning and medical affairs groups, said Nothel—both areas where H4B Chelsea has invested, having built a team of six strategic planners over the past two years from scratch and gone from one medical director to six.

H4B Chelsea is also eager to play outside of the pharma space. Earlier this year, the shop landed a new client in contact lens giant Ciba Vision. “That was a great win for us, really both as a network and for Chelsea as an agency, because we don’t want to be



Above: A professional campaign for Savient’s Krystexxa; Top: From a journal ad for Pfizer’s Pristiq

considered just another drug shop,” says Bauman.

The shop’s management team has paid close attention to its culture, leading to a high employee retention rate and at least one big recent account win, says Nothel (he can’t say which).

“One of their number one reasons they chose us was the culture and the team chemistry they felt. And that’s huge in this day and age, with everyone cutting corners and going a million miles an hour, to make such a large business decision in part on the culture and the team at the agency.” —Matthew Arnold