

Sudler & Hennessey

'Oldest shop in the business' remains relevant with global and digital work

"People talk about global, and they have pushpins on the map, but it's not about pushpins, it's about the people"

—Jed Beitler

Sudler & Hennessey execs like to boast that their shop may be long-lived—it's the oldest in the business, they say (Art Sudler opened his studio in 1936 and launched Sudler & Hennessey six years later)—but that they've maintained its youthful vigor by changing with the times.

The WPP network was the first big medical advertising shop to go global in a big way, and that's a nice place to be right now as their clients pin their hopes for growth on emerging markets. When we spoke to worldwide chairman and CEO Jed Beitler and co-CEO for the Americas, Louisa Holland, their colleagues were in China and Russia on business.

"Russia's really heating up lately, even though they don't have as formal a pharma industry as other countries," says Beitler, "and surprisingly not just on the professional side but on the patient and consumer side as well."

The agency once ran a branded Viagra campaign in China. "We went to the ministry of health and petitioned them, showed them what we were going to do, and they said: 'Go for it,'" says Beitler. The govern-

ment eventually cut off the campaign, but only after a year and a half.

"In other markets, it's really catch as catch can," says Beitler. "You have to be aware of both what the local regulations are and then who's in the know, who you can talk to, whether it's a government ministry or some other regulatory body, because there's probably more opportunity than most people think."

Sudler & Hennessey won four global pitches in the fourth quarter of 2010, bringing the New York office's roster of global accounts to 12. Three of those global accounts were from European multinationals, and fall into the categories of oncology, fertility, orphan diseases and diabetes.

The network boasted a 68% win rate on new business across all divisions, including medical education, promotion, digital, managed care, training and education, says Beitler, and saw revenue growth "in the high single digits."

In the US, says Holland, "It was a strong year for us." "We spent a lot of time, apart from pitching and winning and launching new products, to focus on how we're organized and how we would deal with changes in the marketplace and changes in what your clients expected of us. It seemed like the first time in a long time we've had to reexamine the agency model and make some tweaks."



Above: A professional ad for Centocor Ortho Biotech's Simponi, for moderate to severe rheumatoid arthritis

Integrating digital expertise throughout the network was a big part of that. Ditto for education and training.

"We have done a lot to blur the lines" between departments, says Holland. "The lines are blurred already from a marketing perspective. So, the expectation is that people will be thinking broader and across all disciplines. Nobody has the right to live in one discipline anymore."

The company recently held a meeting of its global managers to work on "the convergences going on—online and offline, global and local, education and promotion, patient and consumer and healthcare professional," says Beitler. "Sometimes we get ourselves caught up in our own silos, even as we're trying to break down silos within the client. We have to make



AT THE HELM

Clockwise: Rob Rogers and Louisa Holland, co-CEOs, the Americas, Max Jackson, CEO for Europe/Middle East/Africa and Asia Pacific and Jed Beitler, chairman and CEO worldwide

PERFORMANCE

"A strong year" in the US; overall revenue grew in the "high single digits"

HIGHLIGHTS

Won four global pitches in Q4 2010, bringing NY office's roster to 12

Boasted 68% win rate on new business across all divisions

Added staff (declined to state numbers) to strategy, analytics and digital sectors in the NY, London, China, Italy, Japan, India and Germany offices

Notable hires: Cassandra Sinclair, managing director, Canada; Gustavo Padilla, managing director, Mexico; John Marchese, head of account services in NY; and Megan Mallie, creative director, brand development

NY office is in midst of major renovation project

CHALLENGES

"Staying on the crest of the wave" with new technology and channels

Breaking down internal silos

For contact details, service offerings and client roster, see Agency A-to-Z, beginning on page 169

sure our people are fluent across the board, in an array of disciplines."

In a network overhaul two years ago, company execs went through all their global shops and assigned them to three tiers, the top tier being those requiring in-house digital, strategic, creative and med ed expertise, while the bottom two tiers could get away with "fluency" and borrow expertise from sibling shops as needed.

Fittingly, as the company is rethinking how it works, the New York office is in the midst of a major renovation project.

"At some point you actually have to sit down and figure out when all the floors are done, what will be the adjacencies—who will sit next to each other," says Holland. "The physical realignment of the building has allowed us to sit down and say 'We grew these departments as different divisions but when you start with an empty floor plan, yes, technology and creative can sit closer together. It's eye-opening to be able to start from scratch that way.'"

The company has put on staff—though they're coy about numbers—in strategy and analytics as well as digital, and in the New York and London offices as well as those in China, Italy, Japan, India and Germany.

Sudler's Shanghai office, Sudler MBS, acquired at the end of 2009, is evolving into a regional hub.

"That's continuing to flourish as a lot of clients are migrating to northern Asia, away from Hong Kong and Singapore," says Beitler. Other hubs include Sydney, Milan, London and New York. The company's Mumbai office is also thriving and becoming a regional powerhouse.

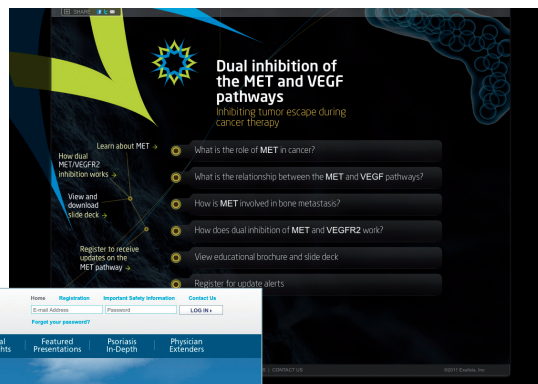
The firm hired Cassandra Sinclair to serve as managing director for Canada and Gustavo Padilla to serve as managing director for Mexico. Last year, John Marchese returned to the shop after a stint at Draftfcb to serve as head of account services in New York and Megan Mallie was named creative director, brand development. This year, one of the managing partners, Debbie Fletcher, left the firm's San Francisco office to join WebMD.

Encouragingly, Beitler and Holland say it's gotten easier to recruit digital and creative talent from the consumer advertising world of late.

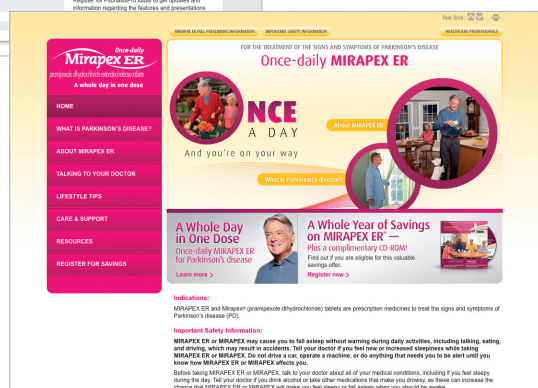
"Last year when we thought about the kind of talent we wanted to bring in—people with diverse skills including CRM and certain kinds of digital work—it was hard finding people in the consumer world who wanted to jump into healthcare," says Holland. "That's changed and now we're really able to bring in people who are either seeing that healthcare is catching up

or just realize it's an exciting place to be."

The tricky part of the business, she says, "is staying on the crest of that wave. We were doing digital 20 years ago, and we had clients telling us in the mid-90s, 'This is the last paper [visual aid] you'll ever do,' and then 10 years later we were still doing paper [visual aids]. We've been ahead of the curve in many cases



Websites for Exelixis' Cabozantinib (above), Galderma's PsoriasisPro (left) and Boehringer's Mirapex ER (bottom)



and in others we've had to play catch-up, but folks here have a pretty good strategic vision for what we're going to have to do to be there for our clients."

Beitler recalls a recent global campaign conference where, going table to table, he heard local agency reps talking to their client-side counterparts in Mandarin, Japanese and Catalan, "Not Spanish, because our rep knew the client was from that region and spoke that language." It just goes to show you, he says, that it's all about the talent.

"A lot of people talk about global, and they have pushpins on the map, but it's not about the pushpins, it's about the people," says Beitler.

"Being in business as long as we have, we keep talking about evolving," says Holland, "and if there's something we stand for it's that we understand that the climate changes, but if you can evolve, you're always going to be where you need to be." —Matthew Arnold