

Abelson Taylor

A solid foundation softens the blow of the patent cliff's repercussions



“Our reputation is based on sound strategy and breakthrough creative”

—Dale Taylor

At Chicago's AbelsonTaylor, things are feeling a little different these days. Landing 15 new accounts in the past year and expanding its operations to additional floors has the company of 451 employees still feeling robust—but also just a bit deflated. “Like our clients, we faced the patent cliff and we lost a good deal of business to patent expirations,” president and CEO Dale Taylor tells *MM&M*.

Taylor says the shrinkage is just part of what's been rolling throughout the industry. “When [clients] lose blockbuster brands, we lose blockbuster brands,” Taylor says, noting that 2012 was “the first year in 29 years that we didn't grow and said the company would have seen revenues jump 10% instead of dip 4% if the advertising budgets hadn't followed the drugs off the patent cliff.

“We don't lose many accounts, or very few,” Taylor says of the agency whose clients include AbbVie, Astellas, Purdue Pharma and Teva.

The company has lost staff—it's down from 481 in 2012, but Taylor says the losses were mostly through the natural attrition that comes with hiring recent

college grads who test out the agency world and leave to pursue a different career or an advanced degree.

As in years past, the independent shop continues to score most of its work on reputation: Taylor says that two-thirds of the new accounts came in without RFPs and 2012's wins brought the company's OTC brands to 16. The new work includes Allergan's Aczone for acne, the DTC business for Orexigen's experimental weight-loss drug Contrave (it already had the DTP business) and Astellas' fungal infection treatment isavuconazole.

A chunk of the work is digital and broadcast, and for Taylor there's no mystery about how clients find them and why they land new work. “The most common scenario is someone who worked at a client of ours moves to another company and they know what we do and how we do it.”

What they do is healthcare—not “sneakers or beer, or cars,” as the company's site says—but this doesn't mean they haven't been approached by other industries. “We were once asked to pitch the Willy Wonka factory,” Taylor jokes, but says that they have received some out-of-scope offers from the banking and insurance industries. Taylor says AT turns down the queries, if they're off target, but notes the agency, which already has nutrition work, is interested in expanding its definition of healthcare as long as the account offers “the right value proposition for health and wellness products.”

The company already has what Taylor calls “five significant over-the-counter brands in the nutritional area,” some of which they have been working on for five years, and that their success makes it “seem clear to us that we should expand beyond the diagnostic” and traditional pharmaceutical accounts they've become known for.



To this end, AbelsonTaylor brought on Beverly Wright last year. The Leo Burnett alum's credentials include managing the North American McDonald's business, as well as having worked as the lead for Proctor & Gamble's Tampax business.

Additional changes include making three more people firm partners (bringing the total number of owners to 13) and the departure of VP, director of client services Nancy Drescher, who left Chicago for Seattle. Decade-long AT-er Jeff Berg stepped into Drescher's role.



PERFORMANCE

Dale Taylor, president and CEO

PERFORMANCE

Overall revenue dipped 4%, but revenue from digital projects jumped 56% and broadcast revenue was up 27%

HIGHLIGHTS

New business includes work for Allergan's Aczone and Orexigen's Contrave. The agency raised its number of OTC brands to 16

Recent creative successes included the campaign for Intermezzo and the website for Dexilant

Instituted a Digital Boot Camp to bring all AT staff up to speed as regards the latest technology in the field

Digital and broadcast areas expanded to a point where they now account for 34% of AT's overall revenue

Continuing to score most new accounts because of the agency's reputation

CHALLENGES

Staff down by 30 employees, going from 481 to 451

Dealing with the loss of blockbuster brands by agency clients

For contact details, service offerings and client roster, see Agency A-to-Z, beginning on page 187

The client experience is one that surrounds them with the agency's offerings: the seven creative groups have between 15 and 25 people each, and Taylor says they are built so "each one of these groups is a fully functional creative agency"—meaning they don't have to pull talent from another team to create for a specific platform or craft multi-screen approaches. Taylor said every team can produce digital, print and broadcast communications.

Multiplatform literacy is not only a given capability for the agency, it's essential for the client, particularly since over half of the work now flowing towards AT's offices is digital. SVP Creative Director Stephen Neale says the company's then ahead-of-its-time EVE platform has become a given part of the business, and that

agency is a thing of the past. "It's the world we live in," he says, and the requirements for ATers is that they be conversant in the touchpoints clients need.

To this end, the company kicked off a Digital Boot Camp in 2011. At the time, it was an overall educational program to fill in knowledge holes. The camp is now used more for new account managers, but the agency—which has long-term employees, including seven account managers who started with the agency out of college and have stuck around for 12 to 15 years—is serious about keeping everyone at the top of their game.

Training includes things like software training to help designers improve their Photoshop skills or get started with the HTML program Dreamweaver. For



Opposite page: AbelsonTaylor's 2011 MM&M Gold Award-winning ad for Dexilant (top) and work for Niaspan (bottom). This page: AT's campaign for Intermezzo featured an appealing light bulb character

AT is moving past this key tech to what Neale calls a "platform-agnostic agency" that has the talent and creativity to run on any platform, anywhere. A sign of the shift is that the company totted up 167 digital projects last year, which Taylor says amounts to creating more than three a week.

Balancing these information streams and demands means that the work produced by these teams is expansive, and comes from the minds of "a collection of individuals who know how to tell those stories and write that content in a digital space... know how to go about concepting in terms of a 15-second [spot], in terms of a continuing series [in a] YouTube-type fashion."

Transformation is also taking place within its portfolio and client requests. Taylor says creative team revenue from its digital projects grew 56% in 2012, and broadcast revenue grew 27%. Taylor said that that more than half of the creative team's revenue now comes from these fields, and these provide 34% of the firm's overall revenue.

And, although they are not more digital than print from a creative standpoint, 30 people on AT's team are strictly digital. Neale says the whole digital/print

writers, this includes SEO training. "We're starting to really look into how poorly it's being done for all of the web work... we think there is an opportunity for copywriters to get better at it and really increase traffic to their sites by paying attention to it," Neale says. He also notes that the pharmaceutical industry is still skittish about social media but that "I think we're seeing some more social experiments" and that clients are still finding their way towards what they consider tolerable risk.

Among the recent work AT is proud of: the campaign for the Intermezzo sleep drug that Taylor describes as "just a beautiful, beautiful animated, very unique piece of work," that's scored a few awards, as well as the site for Dexilant, Takeda's GERD drug. "This is one of the nicest-to-navigate websites that we've designed in a long time," Taylor says.

Taylor says the quality of the agency's work keeps him optimistic, and its track record of landing new business and hanging onto clients goes back to its core draw. "Our reputation is really based on sound strategy and breakthrough creative. I don't think that's changed or is going to change." — Deborah Weinstein