

Sudler & Hennessey

Using a broad base of knowledge to go beyond talking global to doing it



“We want to benchmark against us and who we are and what we think we should be”

—Louisa Holland

Sudler & Hennessey’s global marketing knowledge is paying off as pharmas begin to routinely execute the kind of globally integrated campaigns they’ve long talked about but seldom implemented. “We’ve been a global network for quite a long time,” says co-CEO, Americas Rob Rogers. “So everything is in place, and that’s made it a more attractive potential partner. It’s like, you guys have kind of gotten through the hard work and now we can just jump straight in.”

“We don’t want to benchmark against our competitive set,” says the other co-CEO Americas, Louisa Holland. “We want to benchmark against us and who we are and what we think we should be.”

“There are a lot of agencies that talk global,” adds Jed Beitler, chairman and CEO worldwide. “There are not a lot of agencies that have spent the time and effort to build themselves up to the global presence that we have. It’s not just pushpins on a map.”

Growth in emerging markets has been slower than expected, and China, says Beitler, is “probably a year or two away from an explosion” in sales. But a big

rebalancing is underway as the industry, stung by brutal pricing pressure from bodies like Germany’s AMNOG, is dialing back spending in Europe while ratcheting up spending in up-and-coming markets like Brazil.

The firm is seeing strong growth after a weak 2012, when growth was less than expected, but since the fourth quarter, things have picked up. They came out on the right side of a big global consolidation. Headcount is up a healthy 10% or so to around 930 globally.

S&H has hired creatives in Europe and strategists in New York. In October, they promoted James Hammond, formerly of McCann Healthcare China, to chief strategy officer for China and Japan, based in Shanghai.

“The traditional part of the business is reforming itself,” says Rogers, “and the opportunity is in these consultative models of businesses. We’ve got three or four of those incubating at the moment.”

The network is looking to grow its nascent consulting business, focusing on smaller companies and helping clients work out the kinks in their pipelines. Beitler recalls years ago being asked to tutor a team of much more richly compensated execs from a big management consulting firm on a brand they were working on.

“The light bulb went off,” he laughs. “We were in the wrong business.” Now, he says, “We decided that we’re not going after the C-Suite stuff, but that next level down, the small corporate clients and pipelines, is an area where I think we can do more.”



Putting S&H’s creativity to work in pieces for Brillique (above left) and Remicade (above)

They also work on food-and-health claims marketing for packaged good companies—for example, Unilever’s Take Control margarine, or the Mott’s for Tots line of pre-diluted juices for kids. “So we’ll not only do the downstream execution, but also the upstream consulting,” says Beitler.

They’re also marketing their e-health group to companies in the health tech business, including health systems and the makers of electronic medical records systems and mobile apps. “Ten years ago, it wasn’t a business,” says Rogers. “Now we’re finding that it’s \$160 billion being spent in a pretty diverse area.”

EMRs are a great example, says Holland, “because companies invested a tremendous amount of money developing them and selling them, usually to hospital

YOUR GUIDE TO PERJETA



What does PERJETA treat?
 PERJETA™ (pertuzumab) is approved for use in combination with Herceptin® (trastuzumab) and docetaxel (chemotherapy) in people with HER2-positive breast cancer that has spread to different parts of the body (metastatic) and who have not received anti-HER2 therapy or chemotherapy for metastatic breast cancer.

What are the possible serious side effects of PERJETA?
Most Serious Side Effect: Receiving PERJETA during pregnancy can result in the death of an unborn baby and birth defects. Please refer to page 12 for more information on this serious side effect. Please see PERJETA full Prescribing Information including Most Serious Side Effect and pages 12-13 for additional Important Safety Information.



A piece promoting Perjeta, Genentech's treatment for HER2-positive metastatic breast cancer

systems, without talking to doctors or doing the obvious usability testing, and that's an obvious gap."

Meanwhile, their market access group is working more with ACOs and insurers, exchanges and integrated health delivery systems. And in January, the firm launched Quality Matters, which helps health systems, hospitals and providers navigate the post-Affordable Care Act incentives structure and improve quality care delivery per the demands of programs like Medicare 5-Star and Physician Quality Reporting System.

"When you're developing your clinical trials, you know you're looking at clinically valuable endpoints that are going to be meaningful to a doctor, but now you really need to build in quality endpoints so that you can go to the ACOs and the insurance exchanges with stuff in your clinical trials that's been proven to bear out the quality story," says Holland.

Sudler & Hennessey spin-off Satrix had "a killer year," says Rogers. The shop has big offices in New York (with a staff of 60) and Milan (80) along with satellite offices in London and Tokyo. Over the past year, they've won big accounts with a Japanese pharma and a leading US pharma, the latter of which caused them to double in size and prefaced a larger consolidation into WPP agencies.

They're led by a pair of creatives — Clayton Love is managing director for Satrix's Milan office, and June Carnegie serves as managing director for the agency's New York office.

"As small as we are, we do get to tap into things they're working on at Sudler," says Carnegie, "so our clients get the more personal, nimble part of us, yet they can tap into those resources Sudler offers their clients as needed."

Like their bigger sibling, they're working on building their health IT business, and they've unified their global branding. "One of my personal goals last year was to globalize us a little more," says Carnegie. "We always had a division in Milan, but we weren't totally blended. Now we share all of the same branding and clients."

With the onrush of disruptive technologies and changes to the biopharma business model, the old certainties of the advertising business — the Big Idea, for example — are falling by the wayside, say Sudler brass.

"I think we now see creativity as this tremendous thing where you can affect the beginning, the middle and the end and tell it all with one story instead of this



AT THE HELM

Clockwise from top left: Rob Rogers, Co-CEO, the Americas; Max Jackson, CEO, S&H EMEA & APAC; Louisa Holland, Co-CEO, the Americas; Jed Beitler, Chairman, CEO Worldwide

PERFORMANCE

Firm had a relatively weak 2012, but is now seeing strong growth

Spin-off Satrix had "a killer year"

HIGHLIGHTS

Headcount rose about 10%, reaching 930 employees

Nascent consulting business is showing signs of growth

Launched Quality Matters, which helps health systems, hospitals and providers navigate the post-ACA incentives structure

E-health group is expanding its reach to both health systems and the makers of EMR systems and apps

CHALLENGES

The rebalancing of the global markets

Dealing with the effects of disruptive technologies and changes to the biopharma business model

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

Sudler & Hennessey work for Simponi, a Janssen medication that treats ulcerative colitis

series of interruptions," says Rogers. "It's more like a continuum. It's interesting the way we don't have to talk about the technology so much anymore. We're back to talking about the idea."

Adds Beitler: "It used to be kind of boom, you throw this one-pound piece of creative on the table and it gets translated out to every market and that's it. And as this evolution of globalization and regionalization is taking place, it's no longer just the idea of that one graphic element. It's coming back to the idea of telling the story and creating something that is not just a moment in time but is something much longer, in terms of its delivery and its survivability, something that can then work and be embraced at all levels around the globe in a much stronger fashion." — Matthew Arnold