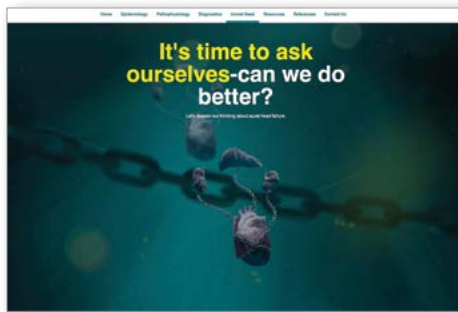


CDM New York

One of the big kids on the block gives itself a structural refresh



“We want to give all our people the chance to grow more and do more”

—Kyle Barich

Consider this: You’re one of the biggest and most highly regarded marketing companies on the block. You work on the best-known brands, with the newest technologies and alongside the savviest partners. You claim a 70% success rate in multiagency pitch derbies. So as you pass your 30th birthday—middle age in agency years—how do you keep yourself engaged and interested? What do you do to remind clients that complacency hasn’t set in?

You blow yourself up, that’s what.

Well, not literally. As *MM&M* went to press, CDM New York’s Manhattan offices remained intact (and quite posh, actually). But the way the agency goes about its business within them has changed considerably.

During 2013, CDM New York restructured itself into smaller groups, each with its own client service director and creative director. The groups, averaging about 40 people in size, have been encouraged to take risks and experiment creatively and technologically.

“A lot of agencies run with a really strong centralized command of control,” says CDM New York manag-

ing partner, executive creative director Chris Palmer. “This was about distributing the ability to innovate.”

The structural reshuffle was motivated by any number of factors. Beyond the desire to foster an entrepreneurial bent, the agency experienced a pair of moments that prompted some degree of stock-taking: that 30th birthday and the April death of Morgan Cline, one of the agency’s founders and guiding lights.

“I think there was a collective agency moment of reflection, a look at where we’ve been,” says CDM New York president Kyle Barich. “We’ve always had a healthy respect for our heritage, but at the same time we’ve always tried to be extremely future-focused.”

Taken in that context, the restructuring—which had commenced months earlier—feels like a natural evolution, regardless of whether it might appear unorthodox on the surface. The CDM New York leadership recognized the need to provide greater opportunities to staffers bumping up against the executive ceiling. Indeed, there can only be so many department leaders.

“If we’re not the largest agency in our space, we’re certainly close to it,” Barich says. “We want to give all our people the chance to grow and do more and be entrepreneurs... Each one of these groups is like a small to midsized agency out there in the world.” Managing partner, director of client services Lori Klein agrees, adding, “It’s about unleashing potential. We’re fortunate to have so many people who are ready [for greater responsibility].” Among the execs promoted in recent months were client service director Celine Vita and creative director Carolyn O’Neill, who both added associate managing partner to their titles.

CDM New York leaders say the restructuring has been well-received. Staffers have run with the added responsibility and clients have been thrilled with their access to top-flight creative, strategic and account peo-



A Novartis-sponsored awareness piece that discusses acute heart failure (left); an advertisement for the TOBI Podhaler (above)

ple. The satisfaction of the latter constituency is evinced by CDM New York’s new-business track record in 2013, when the new structure was formally unveiled. The company grew its relationships with Takeda Pharmaceuticals and Biogen Idec and brought on work from Takeda subsidiary Millennium, Otsuka, Acadia Pharmaceuticals, Gilead, Amgen and Quest. “Immodestly, we’re a new-business machine,” Barich says.



CDM produced “The Hero in All of Us” for the American Heart Association, which uses personal accounts to educate about heart health

flip, but we buy into ‘never let a crisis go to waste,’” Barich says. “Anytime a quote-unquote crisis happens, we think, great, now we have this amazing group of talented people we can redistribute as needed.”

Given the reach of The CDM Group—it employs around 1,200 people and has 10 offices around the world—it seems unlikely that CDM New York would be unable to find a new home for any prized employee who wants one. One potential door will soon open via the continued expansion of CDM Los Angeles.

“We’ve had a presence out there for a while, but this year we’re setting it up to be a full-service, standalone agency reporting to New York,” Klein reports. By the end of 2014, it should house 40 full-time staffers... that is, if CDM can find them. “There’s not necessarily a huge talent base out there,” she admits. “But we’ll find a way to get great people.” New CDM Los Angeles general manager Wallye Hallaway and creative director Shannon Hollman will lead the west-coast charge.

So what does the agency that has it all want in the months and years ahead? Having formalized its Los Angeles presence, CDM New York has likely crossed geographic expansion off its to-do list for the time being. Having diversified its client mix—the firm used to be all Pfizer, all the time—the agency isn’t targeting a particular client or therapeutic area.

Perhaps it’s enough, then, for CDM New York to continue to turn its focus inward—in the moments it’s not serving existing clients or clamoring for new ones, anyway. “Being big is great, but being experimental and forward-thinking is what guides us and pushes us,” Barich says. “If we’re going to continue to be big, and we are, we have to be even more experimental and even more forward-thinking. We have to react and change even faster. I think this place will continue to look more different than the same.” —*Larry Dobrow*

Some of the work was steered towards the agency via holding-company-level consolidations involving CDM Group parent Omnicom, but one senses Barich and his cohorts don’t particularly care how they got in the door, so long as the opportunity is one that appeals to them. “[The consolidations] used to be an area of confusion and fear, but now it’s an area of comfort and collaboration,” he says.

As for the work itself, CDM New York reports that clients have become more receptive to ideas that they might have shunned only a year or two ago.

“We’re always proposing an idea or two that’s clearly out there,” Palmer says. “The more we do that, the more we open [clients] up to a different way of thinking.” As a result, the agency has pushed forward with the type of immersive storytelling enabled by Oculus Rift and the creation of games for mobile platforms.

Of all the developments in the last year or so, this one appears to encourage the agency most. “Even at blue-chip and famously conservative clients, there’s a new generation of marketers coming in. They have a real appreciation of new channels and new brand opportunities. There’s a growing appetite,” Barich says.

The year’s disappointments were mostly attributable to factors outside the agency’s control. One major brand went off the patent cliff earlier than expected, one product failed in Phase III trials and another product hit regulatory potholes. That said, CDM New York doesn’t afford room in its plans or budgets for these and comparable headaches. “I don’t know if this sounds



AT THE HELM

Clockwise from top left: Kyle Barich, president; Chris Palmer, managing partner, executive creative director; Lori Klein, managing partner, director of client services

PERFORMANCE

With a 70% success rate in multiagency pitches, CDM New York brought on considerable business

The agency’s restructuring was well-received by both clients and staff

HIGHLIGHTS

Expanded its relationship with Takeda Pharmaceutical and Biogen Idec

New business came from Millennium, Otsuka, Acadia Pharmaceuticals, Gilead, Amgen and Quest

Clients have been becoming more receptive to the agency’s ideas

Restructuring provides more opportunities for staffers

CHALLENGES

One major client went off the patent cliff earlier than expected, another failed in Phase III trials and a third had regulatory problems

For contact details, service offerings and client roster, see Agency A-to-Z, beginning on page 183