

Abelson Taylor

With a digital focus and a diverse roster, Chicago mainstay is on a tear in 2011



stands it both strategically and creatively. Even in the account group I'm putting together a digital bootcamp to prepare them for having these conversations with clients."

Programs like these should get AT into good shape for fending off competition from those pesky specialty digital kids. "You can go to a digital shop and they can certainly create cool things but we want to make sure cool things are grounded in a brand strategy and something that's going to help propel the brand," says Drescher. "The fact that we are now included in those conversations and pitches is a positive trend."

Jay Carter, SVP, director of strategy services, also believes that AT and other large shops are beginning to win the battle. "Every week some digital shop is being put on probation by big pharma because they don't get the content right," he explains. "We've invested enormously in our digital business and we've set that up so it has the same quality control measures as every other department in the organization. And we have history, we really get the regulatory environment."

The recent surge in digital work prompted AT to initiate some structural changes on the creative side, adding specific digital groups to handle the gigantic CRM programs and feeding them with people who can really understand digital. In fact, most of the 52 new hires on the creative side in the past year have had a digital focus.

But are clients not looking for nimbleness, too?

"Nimble is wonderful if you can execute," says Carter. "But we have seven creative groups. You don't hire an agency of 425, you hire a creative group and a couple of account managers."

Nevertheless, at 425 employees, AT easily ranks as the largest independent healthcare agency. Its diverse roster of around 30 clients across more than 100 brands includes: Allergan's Restasis; Pfizer/Amgen's Enbrel ("Phil Mickelson has been a wonderful spokesperson for an important category," says Taylor); Astellas/GSK's VESIcare; and Daiichi Sankyo/Lilly's Effient.

When AT wins business without a pitch, often this is the result of former clients switching companies. "As companies downsize and clients that we knew wind up in new jobs, they tend to hire us," explains Taylor. "So, in that way the difficulties of the industry have worked in our favor."

For those accounts that still require a pitch, Taylor is a rare proponent of the principles of procurement. "In general, it has helped the agency process rather than hurt it," he says. "The way business used to be allocated 15 years ago was not pretty and that doesn't happen anymore. You don't lose business now to an agency that does a better job of supplying Super Bowl tickets."

Among the newest launches AT is working on right now, is Incivek from Vertex Pharmaceuticals, an exciting second-to-market treatment for chronic hepatitis C that goes head to head with Merck's Victrelis. "It's exciting working on one of the two brands that are going to transform how patients are treated in this space," says Drescher.

"We've been finding that we can do some pretty cool work in devices, nutrition and diagnostics"

—Dale Taylor

It's nuts, declares Dale Taylor, president and CEO of Abelson Taylor. "It's just nuts." Taylor is reveling in the performance of his 35-year old Chicago shop, which has already grown by 22% in 2011.

And it's not as if last year was a bad one, either; 17 accounts wins—11 of them without a pitch—contributed to a solid 5% revenue gain. But the past five months have been off the charts. "This business is largely driven by brand launches more than by the economy," says Taylor, "and we're right in the middle of five launches."

That's not all AT is in the middle of. Like other large shops, it is undergoing a digital transformation. In fact, digital work was up by a whopping 30% last year, fueled in part by pharma's obsession with the iPad, as well as demand for large, complex CRM programs.

"The growth of digital is a challenge," admits Nancy Drescher, SVP, director of client services. "We want to be ahead of the curve and we want to be experts before we get there. We tried to make sure that every person on our staff really is versed in digital and under-

Both products are purported to be blockbusters. What has been surprising, perhaps, has been the continued growth of AT's DTC business. "For so many of our clients now, we work on both consumer and professional," says Taylor, noting that AT has 13 DTC brands with six TV spots running right now.

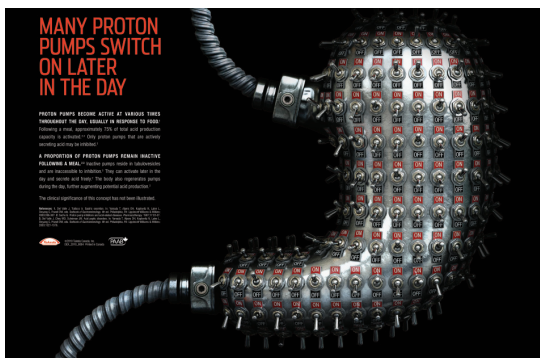
Stephen Neale, SVP, executive creative director believes this is a natural evolution for clients. "Companies that have seen our work in the healthcare professional space are wanting to leverage it in the consumer space," he says.

Like many others, AT has been branching out with its capabilities and going after a more diverse range of clients. "Even as recent as 5-6 years ago, we were really strictly a pharma agency," says Taylor. "Now we work in devices, nutrition and diagnostics."

"It's almost mandatory now, especially for an agency



Left: A 2010 MM&M Silver Award-winning OTC ad for Abbott's Similac; below: A professional awareness ad from Takeda for proton pumps; and far left: Part of a DTC ad for PediaSure



of our size, that if we are going continue to grow and offer opportunities for the people who work here, then we're going to have to expand the business base. Plus we've been finding that we can do some pretty cool work in those areas and sometimes without the FDA restrictions that have become so burdensome on the pharma side."

Does this mean the shackles are beginning to loosen? "I think clients are realizing they have to embrace innovation because they'll get left in the dust," says Drescher. "But it's funny because there is a willingness and a desire but often when you put it in front of them there's a little bit of: 'Hmm...I'm not sure I'm ready.'"

Neale believes that, if anything, the restrictions on professional work are even tighter and that the freedom in those areas is actually being squeezed further. However, all four principals note the high



AT THE HELM
Dale Taylor, president and CEO

PERFORMANCE
Up 5% in 2010; Up 22% so far in 2011

Staff up to 403 at the end of 2010; currently 425

HIGHLIGHTS
17 new brands in 2010, including 11 without a pitch

Digital business up by 30% in 2010

DTC business increased to 16 brands, with 6 spots currently running on TV

Expanded the business base with more nutritionals, devices and diagnostics work

Restructured with specialty digital groups for complex CRM

Hired 52 new creative staff in the past year, almost exclusively in digital

Currently working on five launches, including the recently approved Incivek from Vertex

CHALLENGES
Digital growth

Regulatory environment, lack of new product approvals

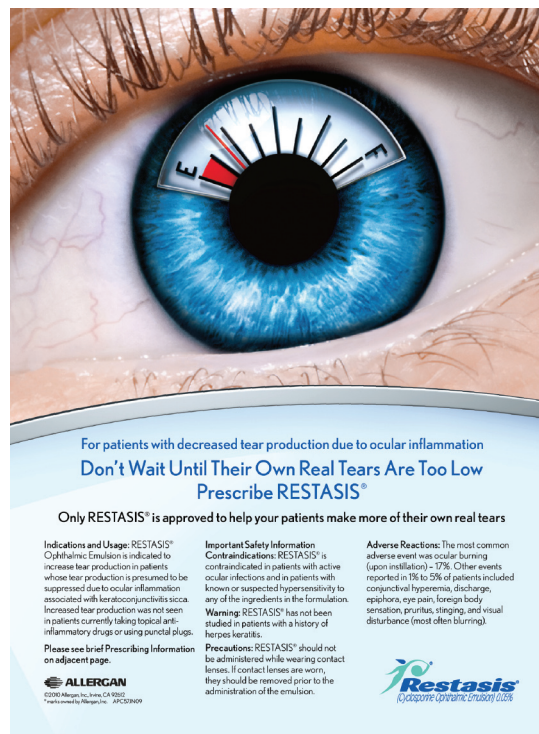
Continuing hunt for talent

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

level of adoption and activity by pharma of mobile apps programs.

So, what's been the secret to AT's continued success? "It think it's because we run a pretty simple company here in many ways," says Taylor. "Our independence has a lot to do with it. I feel sorry for people that run big agencies that are owned by networks because so many of their actions are forced on them by a holding company that has requirements for a revenues streams so it makes it a little bit harder to hold onto people during tough times and to be generous with people from a compensation stand point."

Carter thinks it's also about great work. "If we had a motto it would be 'cherish the work'... not just the art directors and the writers that come up with stuff, but it's the fact checkers, the planners and account people who make sure the insight is right, it's that process



Above: A journal ad for Allergan's Restasis, to increase your eyes' natural ability to produce tears

that gets things through from a content standpoint. All of us cherish the work. We're not proud of size, or revenue. We're proud of great work."

Unsurprisingly, AT's future plans are for "more of the same." Neale, however, sees the regulatory environment making it even harder for new products to launch in future, and has been disappointed so far by the FDA's apparent reluctance to exert its authority on the healthcare experience through the digital realm.

"They are thinking too narrow," Neale says "They should think bigger in terms of better, more involved communication-sharing for patients. The sky should be limitless. It's the role of the government: FDA is supposed to help protect and inform people...so do it!" —James Chase