



AT THE HELM

Ryan Abbate, president

PERFORMANCE

Revenue grew 8%, hitting \$56 million

HIGHLIGHTS

Brought in new AOR business from Kimberly-Clark and Allergan

Expansion of existing relationship with Allergan, including DTC work for Latisse

Staff up from 208 to 220

CHALLENGES

Challenging “common wisdom about where the best practices are in healthcare”

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

“It makes sense to have all content done with a single agency”

—Ryan Abbate

Pacific Communications

Riding out a “pretty tumultuous” year—and winding up on top



Pacific Communications’ president Ryan Abbate describes 2012 as being a “pretty tumultuous” year. Nevertheless, it turned out to be quite a solid one for the Costa Mesa, CA agency, with revenue rising 8% to \$56 million.

“It was such an up and down year,” Abbate says. “Budgets were frozen then reinstated. Timelines were truncated. Work started and stopped. There was just a lot of volatility in the business—with virtually all our clients—so managing agency resources was difficult. We shuffled and reshuffled resources to accommodate the varied needs of clients. When all was said it done, we did that effectively and ended up growing the business. In many ways it was our hardest year ever, but it was also our best—revenue hit an all-time high and every metric by which we measure productivity and profitability hit an all-time high.”

There was no shortage of activity on the new business front. That activity included AOR wins for Kimberly-Clark’s pain pump I-FLOW and for Allergan Plastic Surgery’s suite of breast augmentation and reconstruction products.

The plastic surgery division is one of the few Allergan divisions with which Pacific hadn’t previously worked. Existing relationships with Allergan’s external disease and dermatology divisions expanded to include global work, and the company also awarded the agency

DTC work on its eyelash enhancer Latisse, based on its performance over the last five years as the brand’s professional AOR.

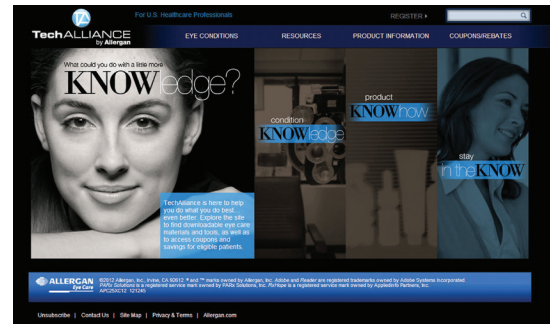
Abbate is pleased that Pacific’s integrated business model is working well for many of the agency’s clients, even though he recognizes that some of them still feel strongly about parsing out pieces of work.

The changes in Pacific’s working relationship with Botox over the past year offer a good example of that tendency. While the agency maintained its professional AOR status for the chronic migraine indication of Botox, the digital AOR status for the indication was lost after new management gave the digital business to another agency.

But offering an integrated approach remains central for the agency. “Some clients believe that you have to bifurcate traditional and digital activities, yet we’ve held the line on integrating them and it’s been gratifying to see the result,” he says. “We’re doing everything from soup to nuts for many clients, including Latisse and Botox Cosmetic. It makes sense to have all content done with a single agency.”

Pacific’s growth has also extended to its staff. Headcount was up from 208 ending 2011 to 215 last year. It’s at about 220 now.

The agency rolled out a new branding campaign last year that highlights its west coast location. Materials challenge existing and prospective employees and clients to “take a left.”



A sales aid for Bausch + Lomb’s Victus (above left) and the website for Allergan’s TechAlliance (above)

“We’re having fun, but it’s an important message,” Abbate says of the self-promotion effort. “The idea is to challenge the common wisdom around where the best practices are in healthcare—most people think it’s the east coast or Chicago. We can do everything an east coast agency can do.”

The early part of 2013 has been looking a lot like 2012 to Abbate.

“I think we’ll be on a roller coaster of sorts that will require really savvy resource management,” he says. “Based on the way this year has started, it’s going to a bit of a juggling act. I think that’s going to be typical for the future. I expect to end this year at or slightly above last year. When we look at year over year, in the absence of new business we’re not seeing increases. If we were to grow 5% in these times I’d be very satisfied.” —Tanya Lewis