

Sudler & Hennessey

Thinking globally leads this agency to continued solid performance



“Clients are working differently. They launch, then they cut back”

—Louisa Holland

So many agencies say they’ve opened their doors in location X or Y and leave it at that. But a sit-down with Sudler & Hennessey leaders is like a stroll around the world. The agency’s higher-ups are able and eager to share specific opinions about each particular market.

Here’s Jed Beitler, chairman and chief executive officer of S&H Worldwide, weighing in on the Singapore market: “We had an office there and, frankly, it didn’t make sense, because so many of our clients have moved their offices to mainland China. We’ve even reduced our Hong Kong presence to just a service office.” Here’s Sudler co-chief executive officer of the Americas Louisa Holland on the firm’s new affiliate relationship in Brazil: “Clients started asking about [Brazil] last year. There are some unique challenges there, so we wanted to be ready to go before they were.” And here’s Sudler co-chief executive officer of the Americas Rob Rogers on China: “The hiccups there put a damper on things... After the GSK issue [some China execs are said to have bribed physicians and

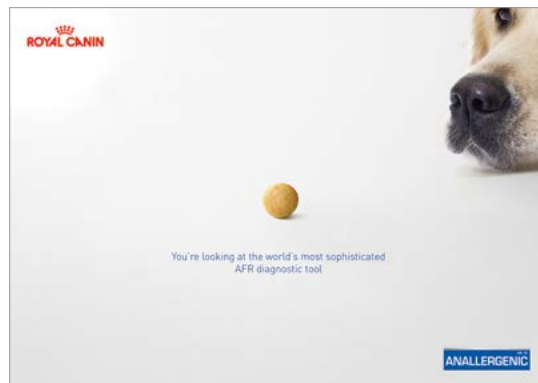
hospital staff members to use GSK products], every client just slashed their budget. That hit everyone.”

It’s that advanced degree of global awareness and attention to local nuance that distinguishes S&H. Is it an absolute necessity that an agency’s top executives be able to do a market-by-market rundown of offices into which they set foot only a handful of times per year? Maybe, maybe not. But if you’re going to talk the global talk, you gotta walk the global walk.

Sudler does, Beitler promises. “So many clients have held us to the standard: ‘Do you really have an office there? Can you deliver?’ We do and we can—Japan, China, Australia, Turkey, Brazil, Europe, everywhere.” Agency execs even frame the company’s recent fortunes within that global context. “Our world feels a little like the economy: It’s moving forward in the right direction, but it’s taking a while to get there,” Rogers says.

Owing to parent-company and client sensitivities (“the same clients who are demanding that they see work we did for other people,” Rogers notes), Beitler et al can only reveal so much about the company’s successes over the last year. But by all accounts it was another in a series of solid performances. A handful of Sudler’s comparatively new practices (consulting, medical education and the Quality Matters group, which helps health entities navigate the post-ACA landscape) “took off,” Beitler says, while organic growth from clients like Johnson & Johnson and Pfizer helped fuel a spike in revenue.

Not surprisingly, the agency didn’t pause to take a victory lap. Rather, Sudler leaders devote most of their time—during an interview, anyway—to discussing the challenges in front of them, rather than the triumphs in the rear-view mirror. Among the most important



Work for Genentech’s Kadcyla (left) and Royal Canin Anallergenic dog food (above)

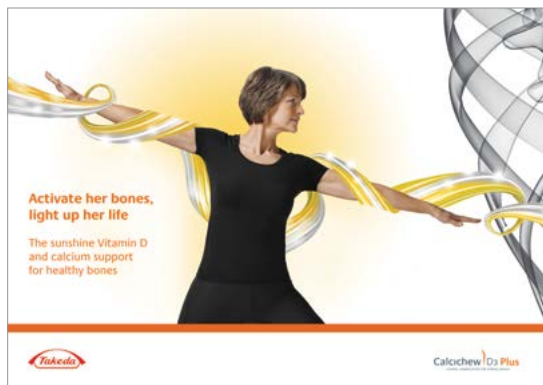
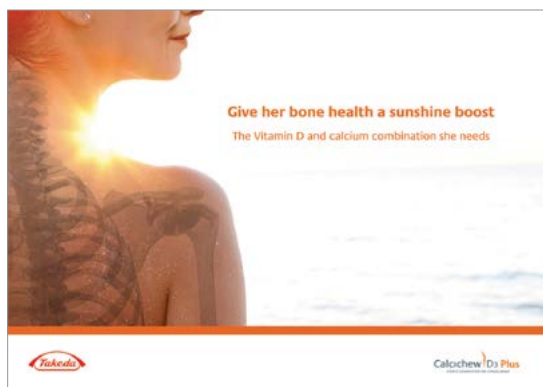
for the company to confront is a fundamental change in the way agencies, A-list or otherwise, are forced to go about their business.

“It feels more and more like we’re managing week to week. Every week, something changes and we have to be fast about responding... [and] Clients are working differently. They launch, then they cut back,” Holland says. Beitler expresses similar frustrations—“the nature of many of the relationships is very different than it was

20 years ago. It's much more, 'What have you done for me today?'"—and adds a few more of his own to the list, like clients perpetually on the cusp of acquiring someone or being acquired. "Everything is on hold until we figure it out" has contributed to some of the angst in 2014," he acknowledges.

While saying all this, neither Holland nor Beitler sounds like the town curmudgeon chasing teenagers off her/his lawn. Instead, when asked how the company is coping with those evolving demands, Beitler deadpans, "Well, we take a lot of our products." After a laugh, he spells out any number of steps the agency has taken and plans to take in the months ahead.

To accommodate increasing client demand, Sudler has widened its search for the best and brightest



Sudler & Hennessey produced the above pieces for Takeda's Calichew D3 Plus and the website for Pharmacyclics and Janssen at the right

beyond other agencies and client talent rolls. "In the past, there was a specific talent pool. We can't rely on that pool anymore," Rogers shrugs. "There are bodies out there, but not the right bodies." To combat this, the company has increased its recruiting presence on college campuses and recently launched Operation Sudler, a military hiring initiative designed to support returning veterans eager to reenter the workforce.

"Over one million veterans will be re-entering civilian life over the next five years, and as you probably know the unemployment rate among this group is very high," Holland says. "So we have made a commitment to expand our recruiting efforts to include these less-traditional career candidates." As for filling



PERFORMANCE

Jed Beitler, chairman and chief executive officer. S&H Worldwide

PERFORMANCE

A spike in revenue was fueled by both organic growth and the strong performance of such relatively new practices as consulting and medical education

HIGHLIGHTS

Expansion of the agency's international profile—"Japan, China, Australia, Turkey, Brazil, Europe, everywhere"

The Quality Matters group, which helps health entities to navigate the post-ACA landscape, "took off" last year.

Instituted Operation Sudler, a military hiring initiative designed to support returning veterans eager to reenter the workforce

Significant organic growth from such clients as Johnson & Johnson and Pfizer

CHALLENGES

Moving digital functions into the mainstream of the agency's work

The effect of acquisitions and the changing nature of client relationships

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

more immediate vacancies, Sudler hired new managing directors in Spain and Australia and promoted director of technology David Cherry (a "rare talent," Holland notes) to chief digital officer.

Cherry might have to get new business cards, however, as Sudler also moved to eliminate the word "digital" from presentations and nearly everywhere else. The reason? Everything is digital, or at least it should be. "It's got to be the air we breathe," Rogers says.

Sudler, of course, enjoys the advantage of having been digitally conscious before many firms hopped onto the digital bandwagon; its digital operations date back to the mid-1990s. Still, dismantling the digital department came with some headaches, both from operational and personnel perspectives.

"Leaving digital separate was not a good long-term strategy. We knew this, so we did our due diligence and said, 'Okay, this is the day we flick the switch,'" Rogers recalls. Needless to say, certain internal constituencies were initially troubled by the decision. "The digital people were terrified; they were worried about losing their identity. Some non-digital people were like, 'I'm too old to get another job!,'" he con-



tinues, tongue somewhat in cheek. "But what was the digital practice has become stronger to the benefit of all groups. The agency is now entirely digital. It's the way we work now."

Sudler also works in a way that encourages decency and appreciation, which the agency has institutionalized as part of its internal You Earned It program. All employees are given a certain number of points that they can award to anyone who deserves it. Those points can be exchanged for charitable donations, gift cards and specific items (think Vespas and luxury high heels).

"It's an ongoing virtual thank-you system," Holland explains. "It rewards accountability, but it also democratizes the process."

Does that make Sudler a democracy, then? "Yeah, we stink at being dictators," Beitler jokes. While there might not be open elections anytime soon, these and other programs help make Sudler one of the few places in which employees truly feel empowered. "Every project and every person can find a home here," Rogers promises.

Don't buy it? The agency's co-CEOs of the Americas constitute examples 1 and 1b. "Rob was an art director in Australia and Louisa was in medical education," Beitler says. "You can be anything you want here, so long as you work hard." —Larry Dobrow