

Abelson Taylor

Independent stays buoyant with 19 new brands under its belt



“Cutting a couple of bucks off our rate doesn’t save nearly as much money as making the process more efficient”

—Dale Taylor

If AbelsonTaylor’s growth has slowed a bit this year — up 11% to date compared with 21% growth at this time last year — it’s not indicative of an agency treading water in a sea of economic turmoil. It is more like a freestyle swimmer honing his technique, and making the necessary adjustments, in order to maintain a spot in the top heat.

According to Dale Taylor, president and CEO at AbelsonTaylor, the company has made approximately 30 new hires over the last 12 months — bringing the total number of employees to roughly 395 — and has won some 19 new brands. “Things have been cooking right along,” says Taylor.

Wins include a number of brands with Abbott Nutrition, including big sellers like Ensure, an adult nutrition shake, and the Similac line of baby formulas. Taylor cites the Ensure and Similac work as being exemplary of the kind of exciting DTC campaigns the agency is currently involved with.

“[The Ensure campaign] is a completely integrated marketing campaign, which includes not only TV,

but also point-of-purchase,” says Taylor, adding that AbelsonTaylor is allied with other agencies for various components of the campaign.

“It’s already starting to have an impact on the marketplace,” he says.

For Similac, it’s “all DTC, and it’s a print campaign that runs in the print journals, and a bunch of others where people are making decisions about infant formula,” says Taylor.

AbelsonTaylor won pre-term delivery work for Gestiva, a Ther-Rx collaboration that is currently awaiting FDA approval.

Additional wins include Questor Pharmaceuticals’ Acthar, for acute multiple sclerosis, and several others “that we can’t talk about yet because they haven’t been announced,” says Taylor.

AbelsonTaylor won DTC assignments at Vein Clinics of America, marking the first time the agency has worked for a medical services company.

After venturing into the medical device area in 2007 with Zimmer, the agency scored additional work with other units of Zimmer in 2008, including professional duties on Zimmer Implants and Zimmer Trabecular Metal Technology.

“That’s been a lot of fun for us,” says Taylor, adding that work in new areas allow staff to develop new skills.

Taylor says AbelsonTaylor resigned a couple of brands, because “they weren’t a good fit,” and lost a brand that was sold to another company, bringing the total number of losses over the past year to three. Taylor declined to give the specifics about any of the agency’s losses.

Regarding new employees, Taylor says AbelsonTaylor is unusual in that it doesn’t tend to hire a lot of new senior people, because once they’re in, they stick around.

“The last time I counted there were maybe 65 to 68 people on staff with the ‘director’ title somewhere in their name — associate creative director, creative director, account director — and those people have an average tenure here of about 14 years. Only one person with that title has ever quit in the history of the agency, and she came back,” boasts Taylor.

Agency leadership includes Taylor, Keith Stenlund, vice president, chief financial officer, and Jay Carter, director of client services.

“We’re an agency that typically promotes from within,” says Taylor. “If you make it through the first six months, most people tend to stay here for their whole career. We probably promoted over 100 people in the last 12 months.”

In terms of company structure, Taylor says there hasn’t been much change. “We haven’t felt the need to be restructured in the last 29 years — we think we got it right the first time,” he says. In order to expand, however, and allow agency personnel to become more broad-based in their skills, Taylor has tweaked operations where necessary.

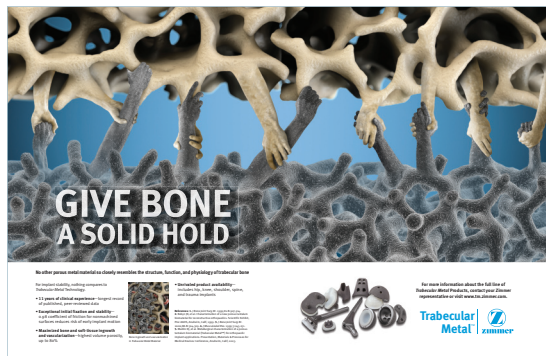
“We handle DTC creative and digital in a group, although we’ve now moved some of the DTC cre-

ative out of that group and into our regular creative group,” explains Taylor. “We’re moving a lot of the DTC creative out from what was originally the digital direct-to-consumer group into the creative groups that work on those brands.”

That was important not only for building skills, but also to “spread a lot of the fun stuff around—everyone likes to work on TV, and everyone likes to work on campaigns that someone might actually see out in the world,” says Taylor, adding that AbelsonTaylor’s DTC business will most likely represent 15% of the agency’s total business in 2009.

“When you consider that three years ago we were saying that we weren’t even going to do [DTC], it has been quite a turnaround,” says Taylor. “We have 13 DTC brands right now, and our professional business continues to grow too.”

Speaking strictly digital, AbelsonTaylor employs a staff of programmers for developing interactive visual aids. Taylor says the agency created roughly 100 interactive visual aids within the last year—and that kind of work requires a different skill set, with highly technical code writers in place to make those



Above: A journal ad for Zimmer's Trabecular Metal; Left: Part of an ad for Zimmer's Kinectiv Technology

programs work.

Almost no one has been spared from at least some degree of fallout due to economic uncertainty, but Taylor says he hasn't seen much of an economic recession, as it were. “As always we have clients that are asking us to be vigilant with their dollars, but that hasn't really changed,” says Taylor. “We haven't had clients that said they needed to reduce fees, and when clients get concerned about economics, our response—and their response—is to make the process more efficient.”

He continues: “Let's figure out which programs we're doing that we don't really need to do, and let's be vigilant about measuring response, so that if we're doing programs we are sure that they are working for us. I think that is the more rational way to cut expenses.”

Taylor tells the story of working with a large client through the six sigma process, and trying to identify inefficiencies multiplied by approvals that were happening too often.

“One of the inefficiencies we identified was people making changes to a piece of copy, and then they would



AT THE HELM

Dale Taylor, president and CEO

PERFORMANCE

Up 11%, compared with 21% growth last year

HIGHLIGHTS

Landed 19 new brands, including Abbott's Ensure and Similac

Won pre-term delivery work for Ther-Rx's brand, Gestiva

Reduced spend on typical projects by 17%, making the process more efficient

Added 30 to its staff, bringing total headcount to about 395

Promoted about 100 people during last year

Created about 100 interactive visual aids last year

CHALLENGES

Finding brands that are a “good fit” for the agency

Products being held up by the FDA and not making it to launch

Being “vigilant” with clients' dollars

For contact details, service offerings and client roster, see Agency A-to-Z, beginning on page 175

want the program to be re-comped before it went on to the next state of approval, and then someone else would make changes to it,” says Taylor.

By identifying those kinds of inefficiencies, AbelsonTaylor was able to “reduce our spend on a typical project by 17%. That is by [the client's] measure,” says Taylor. “Cutting a couple of bucks off of our hourly rate doesn't save them nearly as much money as making the process more efficient.”

Perhaps more challenging than the economy—



Above: A professional ad for OSI Pharmaceuticals' Tarceva, approved to treat two kinds of cancer

although the two are indelibly intertwined, at least in terms of pharmaceutical clients—is the pace of the Food and Drug Administration, according to Taylor.

“The FDA won't approve any drugs. I think we've had six drugs over the last 12 months that have been held up at the FDA for extended periods of time. That's the biggest challenge, getting drugs approved and getting campaigns approved, and it's getting slower and slower and harder and harder,” he says.

Of the six products, Taylor says one did receive approval and is on the market—Takeda's Kapidex, a proton pump inhibitor—but the agency is still waiting for DDMAC to green light the campaign.

“All parts of [the FDA] are risk averse, and I can understand that,” says Taylor. “There have been enough problems with drugs over the past few years, and they're taking that part of the job very seriously, but the result is that everything is getting slowed down. While that's a problem for us, it's obviously a much bigger problem with our clients, and for the industry as a whole.” —Ben Comer