HMR Worldwide

An inside look at the little agency that could

A conversation with Mike Kieley and and Tom Sanner, Partners, HMR

s usual, the pharmaceutical advertising market is changing. Faced with encroaching U.S. direct-to-consumer messages, advertisers are finding that the regulations in Canada are becoming even more restrictive. Pharmaceutical companies are merging, which means tighter budgets and a shrinking customer base. Mergers and acquisitions are changing the agency landscape by creating multinational mega-agencies touting limitless resources under a single, multi-hemispheric roof. How, then, does a medium-sized, independent Canadian agency survive? By being what the others cannot, of course.

Like any agency worth its salt, Healthcare Marketing Resources Worldwide (HMR) prides itself on delivering the industry staples. They complement strong strategic skills with an ability to produce attention-getting creativity that supports the strategy. HMR listens to, and understands, customers, their needs, the market, and the needs of different target audiences. Plus, they have the ability to work within the customer's culture to deliver results on time, and on budget.

But these staples, delivered or not, are on every agency menu, much like the promise of safety and efficacy accompanying every pharmaceutical offering. Which is why HMR is heavily focused on an equally important specialty that is too often overpromised and underprovided – service.

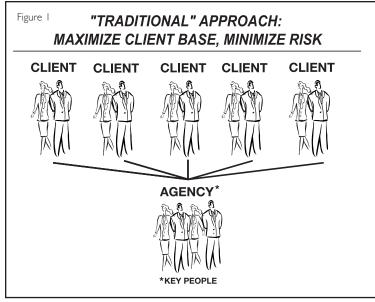
A little vision goes a long way

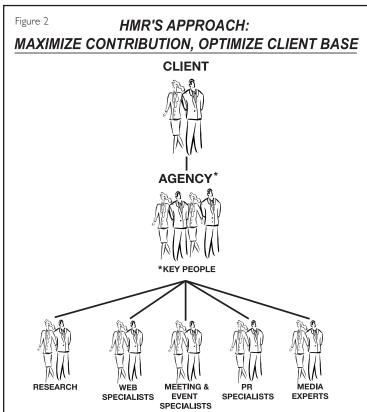
Partners Tom Sanner and Mike Kieley have resisted advances from larger agencies over the years because of their shared vision. "As a fiercely independent agency with nearly 20 years in the business, we pride ourselves on reporting to our customers, not to foreign shareholders," Kieley said.

This vision has helped their team generate creative marketing solutions that have carried HMR into the international market, where they have gained invaluable experience. Working with Bayer Diagnostics over the past seven years, in the U.S. and worldwide, HMR has learned a lot about what it takes to thrive in diverse markets. Holding doggedly to its vision, HMR has earned international awards for every campaign their relationship with Bayer has ever produced.

HMR is also launching an exciting new sports drink with Nutravail, a U.S. division of Biovail, and partnering with CryoCath to introduce their innovative, world-class arrhythmia therapy product line to U.S. and global markets.

With experience like this, HMR is one homegrown agency that can bring a fresh perspective to the Canadian market. The agency is always looking for partnerships with daring product managers willing to shake things up a bit. As Sanner puts it: "we focus so clearly on the success of our customers, it can be a lit-





tle intimidating at first. But when our customers invest their own commitments with us, the returns are predictably extraordinary."

A contribution-focused model

HMR's independent streak has also helped the agency to avoid what Mike and Tom describe as a 'traditional' agency model, which they see as not always serving the needs of the customer (Figure 1).

In this scenario, an agency inevitably stretches its customer service resources thin – as Bilbo Baggins put it, "like butter scraped over too much toast." Account executives can easily begin to take on a reactive role, satisfying customer requests, but failing to add new and challenging insights to the mix. The delicate agency/customer relationship can lose its lustre and creative spark when only the most pressing needs are met.

HMR is set up to provide customers with an almost inverted model of operation (Figure 2).

Though not a revolutionary model in theory, it is certainly unusual in practice. "We put our customers' needs, and the needs of their brand, first," Sanner said. "Rather than looking only at what the customer asks us to do, we are able to look to what will make the biggest difference. We believe in building their business overnight, and ours over time."

HMR is able to serve customers without the use of a "B" team. "Customers work with every member of the team, including the partners," Kieley said. "That's because we believe the potency of our agency lies primarily in liberating ideas. Although important, execution is secondary. Nobody wants to execute a bad idea brilliantly."

HMR has evolved into a flexible agency structure to match their customer focus. They are able to quickly accommodate fluxes in business with seasoned freelance support. "Even our freelancers are not a 'B' team," Kieley said. "Most of these professionals began their careers with us, and were so successful and ambitious, we helped set them up in their own businesses."

Sanner is quick to point out another benefit of this structure. "Both our customers and ourselves benefit from these just-in-time resources. The ideas are always fresh, and extremely costeffective."

Advertising is just the beginning

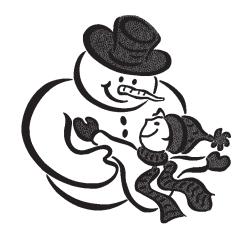
Kieley is fond of saying that it's not just advertising that makes HMR so successful. "We are experts in health-care communications and we manage our customers' resources accordingly. We believe in spending wherever the highest return can be gained, the 'pivot points' that will have the most impact, and often that's not just 'advertising'. Speed to market with the right marketing mix is what really counts."

The goal is to reach optimal market share as quickly and cost-effectively as possible. In fact, HMR is not afraid to be honest with customers, and will even recommend a competitor when the assignment is not best-suited to HMR's strengths. "By putting the right resources to work where they will do the most good, we are, at times, more like an ad hoc marketing group than an ad agency. Which really makes a difference at launch time," Sanner said.

An investment decision so simple, it's child's play.

(It must be a miracle.)

On December 4th, CIBC World Markets and CIBC Wood Gundy will donate its fees and commissions to children's charities.



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Both partners feel that playing to their strengths has been a valuable skill over the years. Asking the right questions is at the heart of their success. "What is the question that will give you the most powerful answer?" Sanner asked. "Whether that answer exists in the agency or elsewhere, we find it and execute. But the patience to remain in the inquiry, and its endless possibilities – that is the source of our creative power. We never let what we are 'organized' to do get in the way of the right solutions."

At your service

Mike and Tom are quite candid in discussing the HMR "secret."

"When we came up with our identifiable difference as an agency, the only word we could use to describe it was 'concierge.' That is to say, we are committed to making the difference that is most needed, regardless of who identifies the need. To our customers, we are strategic brokers of resources," Kieley said.

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As Kieley and Sanner see it, the account executives act as concierge at HMR, but that in no way makes them the only contact for the customer. Account executives are managers of the 'big picture'. The essential details of critical paths and deadlines are managed by account coordinators, who remain in constant contact with the customer. But the customer is also free to deal directly with the person at the agency most able to help. "When the customer has copy issues, or wants to go over something visual, I always encourage them to talk with me," Sanner joked. "But inevitably, they choose to go directly to one of our creative directors, depending on the question. It just makes sense."

The partners agree that their services are designed to save a customer's most vital resource – time. "We don't add problems to our customers' busy day – we're here to unburden them. Our customers trust us to get it done right, and with very little supervision. They even expect to be surprised and delighted," Kieley said.

The formula appears to be working. Over the past year, HMR has taken on several new partnerships, including Nutravail in the U.S. and CryoCath in Montreal, as well as the launch of an exciting, breakthrough hepatitis C drug from Schering Canada.

"We are building the right relationships, not revenue. Great campaigns happen around great collaborations and great relationships where trust and mutual respect drive the thinking," Sanner said.

Whether HMR is on the job creating campaigns with their own team resources, or seeking out the 'best-in-class' companies in complementary communications disciplines, or simply serving *hors* d'oeuvres at an understaffed medical meeting they are attending, the agency's self-proclaimed role is to support customers with exactly what is needed at that moment.

"And when we are unable to solve a problem, we show our customers the ultimate respect – we admit we are at a loss. And you know, it's amazing what shows up in that nakedly honest space. It is the beginning point for unimagined solutions. After all, the secret to brilliant service lies in listening for what will drive your customer's success – everything else will follow," Sanner said.

Of course, any agency can fill your head with tales of promise and glory. Marketing themselves should come as easily as marketing your product. But smoke and mirrors only get you so far – the proof is in the proverbial pudding.

For a further taste of the HMR experience, visit the website: www.hmrworldwide.com., or call Tom Sanner (514-282-3990) or Mike Kieley (416-255-0006). Better yet, visit HMR's new buildings: 2848 Bloor St. West in Toronto, or the HMR Creative Centre at 209 rue St. Paul Ouest in Old Montreal.