MERCK Builds A Bigger Village

HBA Woman of the Year Bridgette Heller
Woman of the Year

Woman of the Year 2013:

Reaching Out, Reaching Up

The HBA’s 2013 Woman of the Year is a builder of businesses, with a pivotal role in making Merck the source point for customer satisfaction across the entire health value chain. Bridgette Heller’s long exposure to the fickle consumer side of healthcare is already producing a new playbook to make the case that all medicines—prescription, OTC, vaccines, novel biologics, and next generation generics—are a force multiplier in achieving better health outcomes for all.

By Joanna Breitstein
The story of success is usually told through the lens of the individual. And while there is no denying the role of individual accomplishment in achieving worldly success, less often is the narrative of victory told from the perspective of the community. In this world, Bridgette Heller’s world, success is rooted in a sense of community and in an understanding that everyone can have an impact. From this point of view the world looks remarkably different: every person is as important as the next. It’s this sense of community and connection that Heller learned as a child and has carried throughout her surprisingly varied career and into her current position as president of Merck Consumer Care.

Bridgette, now 51, grew up in a small, tight-knit African American community in the gulf coast town of St. Petersburg, Florida. Her great grandfather was one of the first entrepreneurs in their community with the grocery store he owned and operated. Together with his wife they had 15—yes, 15—children, so Bridgette grew up surrounded by lots of family. But Bridgette was special. From an early age, her family, her neighborhood, and the broader community recognized that she had potential. “I grew up as part of a very large extended family,” says Heller. “It really was the village concept come to life in terms of parenting within that community. It was made very clear that I had a responsibility to live up to that potential. Some saw that as a weight—but I saw it as an opportunity.” It was with this strong support that Bridgette was able to venture into the world outside of her small community and become one of the first African American women of her generation to ascend to the upper levels of business.

On scholarship, Heller attended Northwestern University. Before graduation, she went to work for Hewlett Packard in the Tampa office as a summer intern, marketing the first PC. She quickly generated $1 million for the company, which opened her eyes to how the power of marketing can make a difference. She went to business school, and from there, onto a career at General Foods (which later became Kraft) that spanned nearly 20 years. She served as a CEO of Chung’s, the largest US manufacturer of egg rolls, and then went on to head the global baby business unit at Johnson & Johnson.

Merck was one of the last big pharma companies to invest in consumer healthcare, but in Bridgette they’ve tapped a trailblazer, one with big ideas and a proven track record of success. She joined the company in March 2010, just after the acquisition of Schering-Plough, which brought with it iconic brands such as Claritin, Coppertone, and Dr. Scholl’s. The consumer division comprised a fraction of Merck’s revenues—in 2009 consumer accounted for a modest $1.3 billion of the $46 billion Merck earned in overall revenues (using supplemental combined figures to reflect the full revenue of both Merck and Schering-Plough pre-merger during 2009).

The conventional wisdom is that the consumer business needs to grow for it to matter in a company the size of Merck. “Merck is either going to have to expand its consumer business to make it more important or spin it off,” observes Les Funtleyder, a healthcare strategist and managing director of Poliwogg, a private equity firm.

Interestingly, Merck’s consumer business has been growing. After joining the company, Bridgette re-organized the way the business was run, uniting all consumer business under her “roof.” Previously, consumer business outside of North America was managed by the pharma business, diluting its impact and tending to make the activity a very low priority. The immediate result was encouraging: consumer sales for 2012 reached $2 billion, a 6 percent increase over 2011. This year looks equally promising.

The power to connect

Spurring this growth is a shift in the culture at Merck brought on by the “out-of-the-box” style that Bridgette and her strong consumer background brings to the business.

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For Merck’s consumer business to matter, it needs to transform. Heller seems up for the challenge, and says she hopes to double its size by 2015. Her staff refers to this commitment as their “stand.”

Bridgette is proving that the consumer division can matter to Merck by reimagining the role it plays in the business as a whole. Rather than being considered just another entry into a diversified portfolio, Bridgette envisions the consumer arm of the business as a real contributor to the company’s bottom line.

This mix of freshness combined with results helps explain why the Healthcare Businesswoman’s Association (HBA) named Bridgette Heller the recipient of its highest honor in 2013. In its statement on the choice, the HBA said “we are very proud to have Bridgette Heller as our 2013 Woman of the Year, as her strong business leadership skills embellish rather than dwarf her even stronger strength to connect: to connect to colleagues, to employees, to consumers. She remains vigilant in unleashing the power of these connections by creating a nurturing environment that is often missing in corporate settings.”

Making business more personal
In many ways, what defines Bridgette is her unique approach to leadership. She is a product of her upbringing and values as a key management trait such personal attributes as connectedness, integration, and the ability to see things from many perspectives.

She learned her most important lessons from her great grandmother Louise married into a small, well-connected African American community.

And yet, even though she was different, Bridgette’s great grandmother was loved by everyone in the community. “She just had this ability to find connections with people,” says Bridgette. “Everyone was welcome at her table.”

Heller remembers when her great grandmother fished nickels out of her purse for a huge group of children to each buy an ice cream from Mr. Nick’s, the local ice cream truck. “I said to her, you know, those kids are not in our family,” said Heller. “She said ‘no, every child out there is a part of my family.’” I’ve never forgotten that. It stuck with me as sort of a mantra. It reminds me that I am part of this bigger global community—part of my broader family network.”

Bridgette left St. Petersburg—the small city she had known so well—to attend Northwestern University. The move proved formative for Bridgette. It opened her eyes to an entire world that she didn’t know anything about. She had a desire to meet new people and learn about their perspectives. “I realized that they had all this expertise in one area and what I was really good at was bringing all of that expertise together into a plan of action to move the team forward.”

In the end, Bridgette dismantled the business, but was widely credited for doing it in a quick, rational, and thoughtful manner, limiting the damage to staff and the business as a whole. “Some people would say Stove Top Rice and Noodles was a big failure, but for me it was one of my biggest successes,” says Heller.

Bridgette went on to seek other perspectives. She was always a “whiz at math and science growing up,” and could spend time with the finance department discussing the P&L. She did a three-month stint as a salesperson, and another two-weeks informally in a manufacturing plant—she even walked the rice paddies in Arkansas to better understand the origin of her product.
Meanwhile, at General Foods, Bridgette was making her mark another way. The company had a summer program for underserved high school students. Ann Fudge, who became Bridgette’s mentor after they began working together in 1989, remembers that one summer, there was a death in Bridgette’s group.

“She brought resources together to help,” says Ann Fudge, who now sits on the GE Board of Directors. “She knew instinctively what to do and how to handle it—bringing the kids together and talking about it. That kind of caring she exhibited at that incredibly emotional time for people was to me a shining example of someone who is focused on getting the job done, but focused on the people as well.”

Bridgette’s perspective driven, people-first attitude has really distinguished her throughout her career. Coupled with the warmth she so clearly gained around her grandmother’s table, she creates a nurturing environment, which has its assets in developing her team and connecting with consumers.

“Bridgette is as committed to the development of her staff as she is in the development of the business,” says Jim Mackey, Senior Vice President, US Region Head for Merck Consumer Care.

**Bringing the patient perspective to Merck**

It was three years ago that Bridgette joined Merck, but through her position and role on the executive committee, she’s already had an impact. In particular, Heller has been successful at exporting her ideas about connectivity and the consumer perspective throughout the company. Merck CEO Ken Frazier writes in his HBA support letter, “Her relentless commitment to the consumer reinvigorates everything that Merck’s consumer division does. This is frankly a new way of thinking for Merck, and I believe is one way pharmaceutical companies will succeed moving forward.”

Connecting with consumers is now part of the equation for doing business. “Healthcare leaders need to be aware that you can’t be in the industry if you’re not patient-focused,” said Eve Dryer, an independent consultant in stakeholder engagement and patient advocacy and HBA’s 2013 STAR volunteer award winner. “As women in leadership, it’s important to invest in not only the business skills of the new generation of leadership, but teach them how to focus that lens on patients.”

For Bridgette, her work all comes from a simple consumer insight: “The big value I bring to the executive committee is reminding them that patients are consumers and that people don’t walk around thinking of themselves as sick, but think of themselves as wanting to be well.”

Her perspective comes to life in a number of areas, from sales operations to marketing to supply chain. Merck’s portfolio of brands or activities across the entire company can be viewed from the customer or audience’s perspective—without the artificial barriers internal structure or process can put in place. “By driving work from a different vantage point, we can be more open to and tailor our approach to the unique needs of our consumers, our customers, and our employees. Being relevant and timely is a challenge in today’s dynamic environment.”

This approach to the consumer may be new for Merck, but a more knowledgeable and vocal consumer is a growing fact of life.

“If you look at the way healthcare as an industry is changing, the consumer mindset is something that all pharma companies are going to have to become more ingrained in and more comfortable with. They’re going to have to start seeing the world from that perspective.” And there are valuable work and life lessons to be had from retail consumer companies whose competitive position depends on understanding better than their rivals what the customer wants—and the choices they make every day.

**An ambitious goal**

Fortunately, Merck has Bridgette to lead the change, starting with the company’s next big consumer healthcare product launch this fall. Earlier this year, FDA approved an Rx-to-OTC switch for Oxytrol, a product in-licensed from Watson Pharmaceuticals, which will be the first over-the-counter treatment for overactive bladder in women. The market is big (overactive bladder affects 20 million US women) and there is a huge need, but 80 percent of women are too embarrassed to seek treatment.

The product can improve women’s quality of life, but the branding is going to be critical. This has given Heller a chance to design the brand a different way—based entirely on detailed understanding of consumer insight. Bridgette says that’s the piece that’s new for Merck.

It’s also the piece that Heller knows well. In the same way she has connected to people her whole life, Bridgette challenges her teams to find the emotional connection consumers can have with brands. “Bridgette loves brands and views them as living, breathing organic assets,” says Mackey.

If Oxytrol meets expectations, both for the brand and the sales, it could set the strategy for future switches, and become an enduring brand. Claritin, for example, has sold as an OTC product for more than a decade, with sales in the billions. “In the traditional pharma model that would have died out,” says Mackey.

But that’s just one approach that Bridgette sees to growing the division. For Merck’s consumer business to matter, it needs to transform. Heller
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seems up to the challenge, and says she hopes to double its size by 2015. Her staff refers to this commitment as their “stand.” The language implies a perceived sense of importance and unity as people come together to achieve this ambitious goal. It also showcases Bridgette’s prowess in connecting with her community to achieve a goal.

Reaching back
There are major lessons the rest of the healthcare industry can learn from Bridgette Heller. The societal trend toward a more empowered customer means that the industry as a whole has a lot to gain from their consumer counterparts. If Bridgette Heller has anything to do with it, everyone must also share in the responsibility to nurture the full potential of people.

That’s a responsibility that goes beyond the workplace. “To whom much is given, much is definitely expected,” quotes Bridgette. Indeed, Heller helps young girls navigate gender, economic, and social barriers through the non-profit Girls, Inc., most recently serving as board chair.

By doing this, Bridgette is creating a nurturing environment and fostering a sense of community for the next generation.

It is these philosophies that Bridgette and her husband Eliott have adopted and hope to impart on their two daughters. According to Ann Fudge, “The care she brings to young girls in development and pushing for girls in leadership is not just something for her to do. It comes from the heart. Like a lot things, it has to happen and be nurtured and makes her who she is.”

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