

2012

Annual Report



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A Letter From SPBT Leadership

We saw 2012 as an opportunity to focus on strengthening our core resources with an eye toward becoming THE resource for life science trainers.

While SPBT has evolved significantly over the last four decades, the past few years have marked its most dramatic progress yet. Whereas in 2011, we marked the year with the words modernize, enhance, expand, and lead, 2012 may be characterized by innovation and engagement.

In order to expand our membership we have developed innovative ways to connect with members - both new and existing - while generating revenue. We have created new programs and services to enrich our value proposition and we have created new touchpoints for communication and involvement.

We saw 2012 as an opportunity to focus on strengthening our core resources with an eye toward becoming *THE* resource for life science trainers. We know this doesn't happen overnight, but no other organization is positioned as we are to service this niche community.

Our results speak for themselves. Innovative new programs have been met with enthusiasm, our revenue has increased significantly, and analytics in social media channels and our Web site show a greater level of involvement than ever before.

We thank the SPBT Board of Directors, the SPBT staff for their hard work throughout the year. And, importantly, we thank our membership for letting us know that we are on the right track - that we are honoring our commitment to help each member grow, and to help the life science training profession excel.

Carol Wells

Carol Wells
2012-2013 SPBT President

Kevin Kruse

Kevin Kruse
SPBT Executive Director



Carol Wells



Kevin Kruse

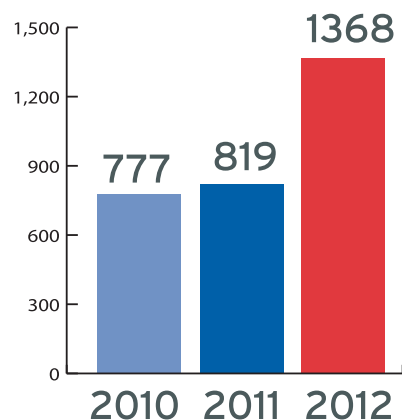


Executive Summary

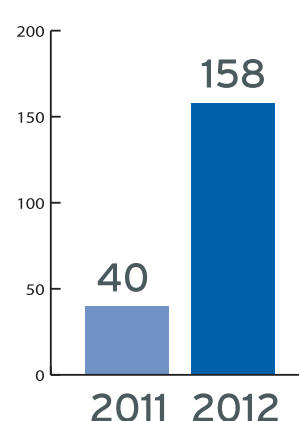
SPBT has made significant investments over the last few years in our infrastructure and services. The following Executive Summary provides a snapshot of our progress from 2010 - 2012, so that our 2012 achievements are put in context of cumulative growth. We've categorized our efforts in terms of membership, learning and community, and financials.

MEMBERSHIP

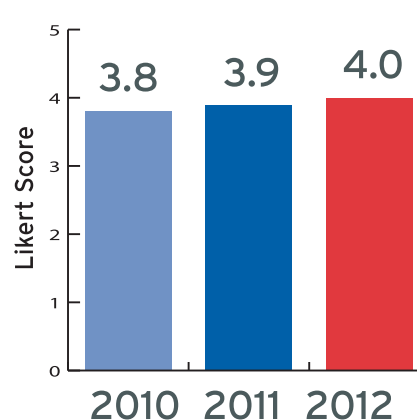
TOTAL MEMBERS



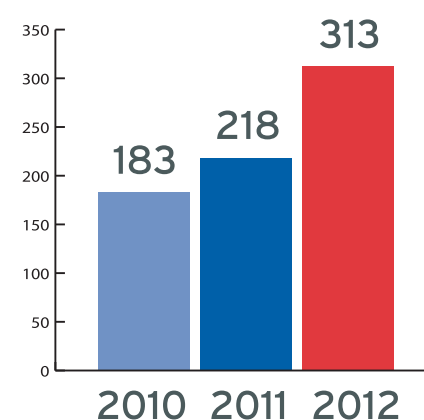
MD&D MEMBERS



MEMBER SATISFACTION



MEMBER COMPANIES



Executive Summary

LEARNING & COMMUNITY

ANNUAL CONFERENCE

458

Attendees

4.1

Satisfaction
out of 5.0

MD&D TRAINERS SUMMIT

115

Attendees

4.5

Satisfaction
out of 5.0

WEBINARS

16

Held

300

of
Participants

EDUCATIONAL WORKSHOPS

5

Held

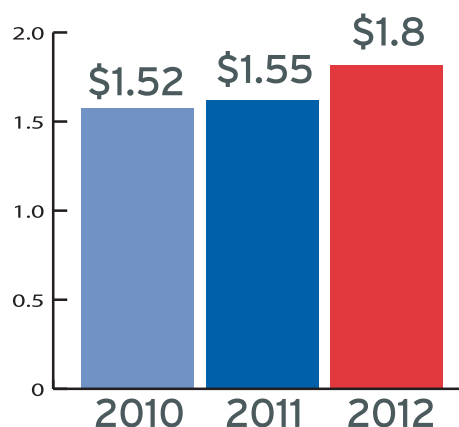
36

Attendees

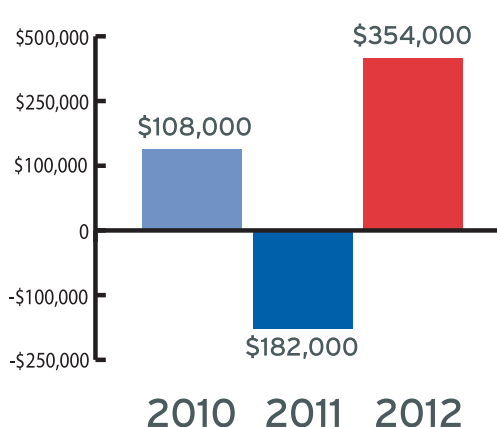
* Not inclusive of custom, on-site courses.

FINANCIALS

REVENUE (in millions)



NET INCOME



CURRENT CAPITAL (in millions)



Strategic Plan Summary

SPBT UPDATE

Building on the changes and achievements of 2011, SPBT defined a 2012 strategic plan that would drive deeper engagement and growth in our membership. We sought to instill a new spirit of volunteerism at all levels, target an aggressive expansion in the medical device and diagnostic (MD&D) sector, and enhance core programs and services to extend the Society's value proposition. We mapped five strategic imperatives and made substantial progress in three areas. Sometimes the most strategic path is restraint, and we are proud that we recognized the how and why behind channeling resources for the best, most strategic outcomes.

STRATEGIC IMPERATIVE	SUMMARY OF ACHIEVEMENTS
1. Implement new program for Preferred Industry Partners (PIPs) and open membership to suppliers	<ul style="list-style-type: none">• Reorganized PIP Program by contribution levels: Bronze, Silver, Gold, Platinum• Opened membership to include all partners, suppliers, and interested parties
2. Conduct new industry landscape research	<ul style="list-style-type: none">• Fielded research with TGaS Advisors• Featured research at SPBT Annual Conference and via SPBT Webinar Fridays• Sold 10 studies, exceeding forecasts
3. Increase medical device and diagnostic (MD&D) participation	<ul style="list-style-type: none">• Planned and executed first-ever MD&D conference• Increased MD&D membership by nearly 300 percent



MEETING THE NEEDS OF MEMBERS: New Programs & Services

As a member-based association, SPBT continues to evaluate ways to expand professional growth and networking opportunities to meet the needs of our constituency. This year, we developed two new educational programs and revamped our flagship benchmark study.

SPBT MD&D TRAINERS SUMMIT



The first-ever SPBT Medical Device & Diagnostic Trainers Summit was an enormous challenge - and an enormous success. We had to find new ways to reach existing and potential customers and convince them this would be worth their while. As a two-day submersion in strengthening skills and extending professional networks, the Summit focused on real case studies and industry changes to help trainers be fully prepared to compete in the delivery of high-quality patient care. But importantly, it extended our reach and value to MD&D trainers.



4.5 satisfaction
out of 5.0

115 attendees at first
MD&D Trainers Summit

33% of attendees became
new SPBT members

SPBT SUCCESSFUL VENDOR MANAGEMENT



Successful Vendor Management

While it may sound easy, one of a trainer's greatest challenges is managing suppliers. SPBT added this one-day workshop to its program roster to teach principles and practices that equip life science trainers with a framework to manage suppliers without compromising budget, time, or quality.

8 attendees

8 positive reviews

"Vendor management is one of the most under-appreciated program yet critical skills to the success of a trainer. Steve's extensive experience provides a clear, actionable process to effectively partner with our vendors." - Bob Holliday, Boehringer Ingelheim

Steve's workshop on successful vendor management addresses all the key elements of starting, managing, and ending a project **with finesse instead of failure...** If you do any kind of work with vendors, this workshop is a 'must attend.'" - Sue Iannone, Merck

Learning and Community



Webinar Fridays

SPBT WEBINAR FRIDAYS

The SPBT Webinar Fridays series continued in full force in 2012, and with a number of sponsored sessions it has become a key revenue generator. Our Webinars have attracted upwards of 70 participants, or nearly 6% of our members.

16 Webinars held

300 total Webinar attendees this year

100 more attendees in 2012 than 2011



SPBT PRIMETIME! FOR TRAINERS

Our classic train-the-trainer course continues to get rave reviews. In 2011, we introduced a Masters course as an extension to the original seminar and with steady interest, we maintained this offering in 2012.

"This is an outstanding course and I would recommend it to all trainers in the future" - Billy Baker, Bausch + Lomb

"Exceeded my expectations!!!!" - Bill Jollie, Griffols



PREFERRED INDUSTRY PARTNER (PIP) PROGRAM



One of our strategic imperatives this year was to change the PIP program to be more attractive to these valued suppliers, but also so that it had the potential to increase our revenue base. Formerly, the PIP program required partners to purchase a list of elements for at least two consecutive years to qualify. Now, the program consists of four packages each with an increasing list of benefits and levels; Bronze, Silver, Gold, and Platinum.

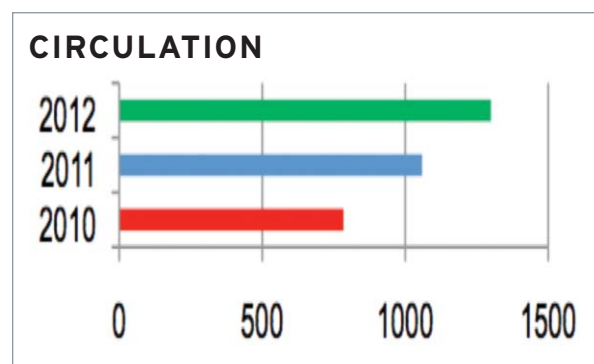
90% This year, PIP revenue came in 90% above forecasts.



Learning and Community

FOCUS MAGAZINE

We continue to see interest and demand for our quarterly publication *Focus*. Print circulation increased in 2012, but open rates and page views of the digital version declined both by a little more than 50 percent. We attribute this to the novelty wearing off, but will continue to analyze and assess how we can reverse this trend.



**23%
UP**

The print circulation of *Focus* has been increasing steadily over the past few years, with a 23% jump from 2011 to 2012

SPBT INDUSTRY LANDSCAPE STUDY

As the largest, most definitive review of current practices and trends in life science commercial training, "the benchmark study" has long been one of SPBT's trademarks. This year we switched things up a bit by working with a new partner, TGaS Advisors, and changing the name to the SPBT Industry Landscape Study. SPBT exceeded its forecasted revenue for the study and provided our membership with the opportunity to leverage one-of-a-kind data to compare resources against peer companies and gain strategic insights.



40 participants
5,000 data points



DATA SNAPSHOTS

#1 technology business driver for trainers is to improve training efficiency



32% of respondents anticipated adding training staff within the year



Top trends expected over the next few years include advanced selling skills, presenting information digitally, and mobile learning via iPad



Learning and Community



THE SPBT ANNUAL CONFERENCE

In the 41st year of our flagship program, the SPBT Annual Conference, we aimed to provide a new mix of features and resources while maintaining the best of previous years. The additions included a new attendee orientation, a new member meeting, new workshop tracks, expanded opportunities to network and - with an eye on the practical needs of attendees - a charging station.

We are encouraged that our drive for change paid off and this primary revenue generator brought us even more income in 2012. In addition, our conference survey showed the satisfaction rate was 4.1 out of 5.0.

SURVEY SAYS! ANNUAL CONFERENCE FEEDBACK

4.1

out of 5.0

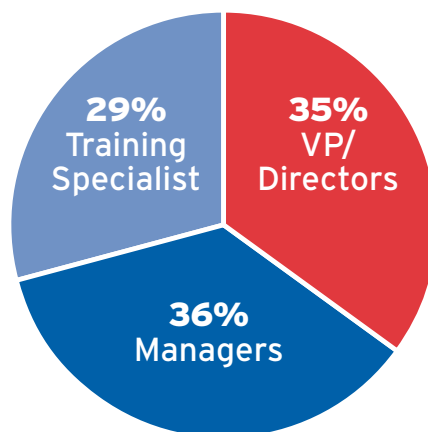
Satisfied with the conference
(up from 3.9 last year)

4.3

out of 5.0

Would recommend to a colleague
(up from 3.9 last year)

CONFERENCE ATTENDEES



The annual conference attracts a range of levels within the training function

Conference attendance increased

24%



over 2011, from 369 members to 458 members

REVENUE

30%

Conference revenue was 30% over budget estimates

21%

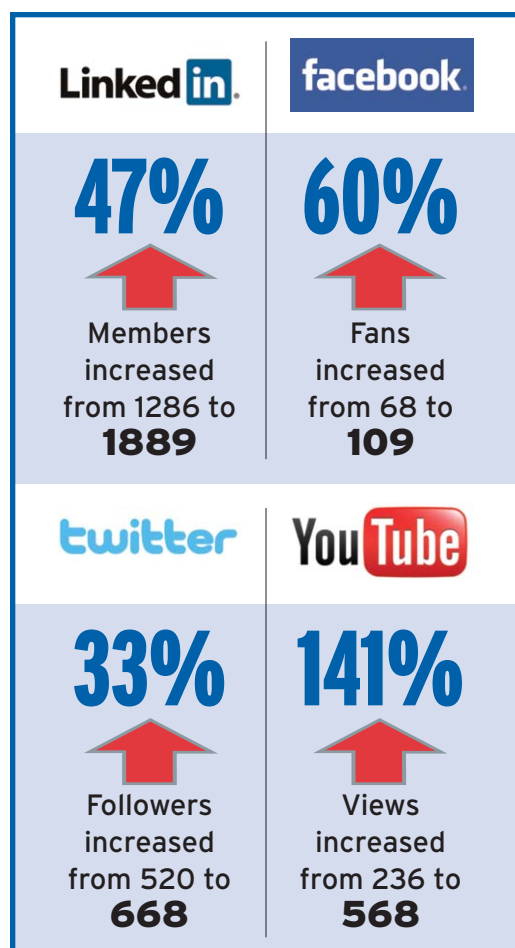
Revenue from registrations increased 21%



Engagement and Visibility

SOCIAL MEDIA INTEGRATION

SPBT continued to make a mark this year in the social media arena, with substantial increases in participation in all four of our social media channels.



MARKETING COMMUNICATIONS

We continued to leverage news and promotion of our programs and services in 2012

2 Press Releases
 extending visibility in online news and industry sites

3 Key Media Partnerships
 focusing on reaching MD&D audience through relevant channels

- MedCity News
- Fierce Medical Devices
- Device Space

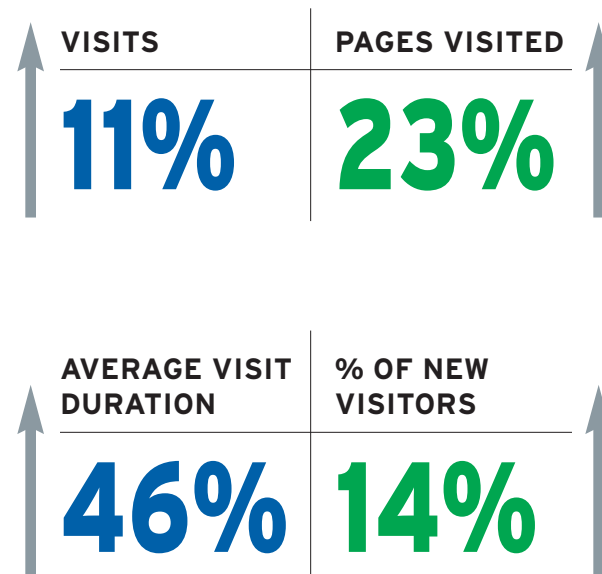


88 Direct-to-member Emails
 building relevant communications to our most important stakeholders sent twice a week (on average)

- Open rates in the first quarter were 52%, much higher than the association average of 20% (source: Constant Contact)

WEB SITE

As our membership and communications hub, user analytics for www.spbt.org give us important insights into the degree of member engagement. This year we had solid increases on all fronts as compared to 2011.



Membership Growth

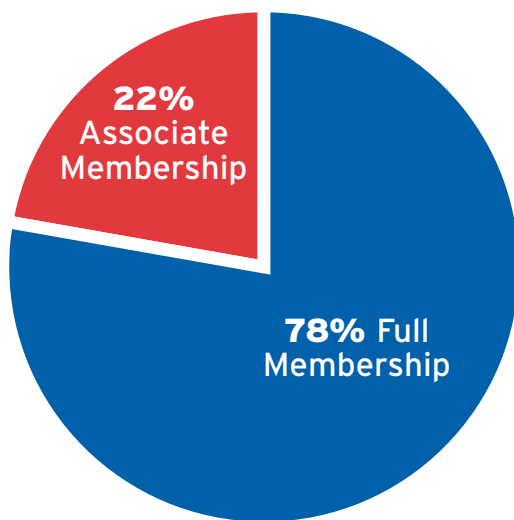
MEMBERSHIP GROWTH

We executed key membership growth strategies in 2012 which increased our membership dramatically. Effective January 1, 2012, industry partners were eligible to become members, and we focused heavily throughout the year on reaching the MD&D community.

In our second year offering an associate membership, the ratio of associate to full members held steady. Associate membership is open to both part-time trainers and people interested in a learning and development career who currently hold a field role in the life science industry.



MEMBER TYPE



Overall membership increased 59% from **819** to **1368**

MD&D membership increased 295% from **40** to **158**

Industry Partner membership is **13%** of overall membership



2012 Financial Highlights

Total revenue increased approximately 13 percent in 2012 with the most significant increases in membership dues (up 41%), the Industry Landscape Study (up 252%), and the MD&D Trainers Summit (new revenue). SPBT ends the year with a profit of more than \$350,000.

Trends in our sources of revenue are important, as we are striving to decrease dependence on the annual conference as our primary revenue generator, which went from 72 percent in 2011 to 58 percent in 2012. At the same time, membership dues went from 7 percent of overall income to 10 percent.

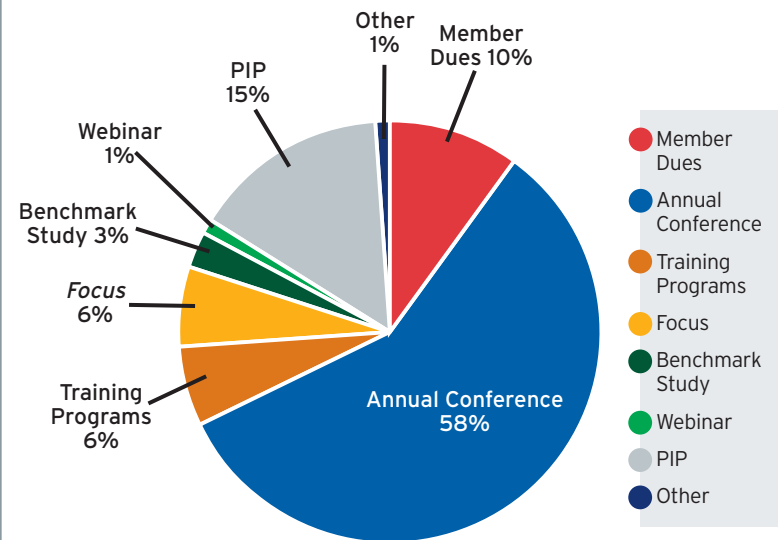
We saw a return this year on the significant investments made last year in programming and strengthening operations with a big jump in net income. In addition, overall revenue and "current capital" have climbed steadily over the last three years.

CONSOLIDATED COMPARATIVE STATEMENT OF ACTIVITIES

Comparative Years Ended December 31

YEAR END	2012	2011
Total Operating Revenues	\$1,842,250	\$1,553,443
Total Operating Expenses	\$1,730,349	\$1,720,634
Change in Net Assets with non-operating income	\$354,484	(\$175,623)

SOURCES OF REVENUE



SPBT Board of Directors and Staff in 2012

BOARD OF DIRECTORS

PRESIDENT

Carol Wells

Senior Director, CT&D
Commercial Training &
Development
Genentech

IMMEDIATE PAST

PRESIDENT

Mike Capaldi

Associate Vice President,
Corporate Social
Responsibility &
Institutional Relations
Sanofi

VICE PRESIDENT

Tim Kern

Vice President, Training,
U.S. Commercial Operations
Pfizer, Inc.

VICE PRESIDENT

Jim Trunick

Senior Director, Corporate
Training & Development
Allergan

TREASURER

John Sjovall

Senior Director, Sales
Training & Development
Daiichi Sankyo, Inc.

SECRETARY

Sue Clark

Director, Sales Training &
Professional Development
Merck & Company, Inc.

DIRECTORS AT LARGE

Jennifer Zinn

Vice President,
Commercial Education
Roche Diagnostics

Dawn Brehm

Retired

John Constantine

Executive Director
Merck Polytechnic Institute
Merck

Kevin R. Glover, MS, M.Ed.

Vice President, Clinician
Training and Education
B. Braun Medical, Inc.

Dennis Merlo

Vice President, Sales
Operations and Training
Purdue Pharma

Mark Osborne

Executive Director, Sales Training
& Development
Novartis Oncology

STAFF

EXECUTIVE DIRECTOR

Kevin Kruse

DIRECTOR, MEMBER SERVICES

Scott Sauve

DIRECTOR, EVENTS

Christine Gaudet

DIRECTOR, ADVERTISING

Gregg Haunroth

DIRECTOR, COMMUNICATIONS

Kristen Brill

MANAGER, BUSINESS SERVICES

Miki St. Clair



ABOUT SPBT

The Society of Pharmaceutical and Biotech Trainers (SPBT) is a worldwide 501(C)(3) nonprofit organization dedicated to supporting the professional goals of trainers in the life sciences. SPBT is a conduit to keeping the training industry educated, informed, and connected, and is the only nonprofit organization solely devoted to strengthening training in the healthcare industry with the ultimate benefit of improving patient care.

SPBT was established in 1971 and originally named the National Society of Pharmaceutical Sales Trainers. Today, SPBT has a membership of more than 1,350 trainers employed by hundreds of pharmaceutical, biotech, medical device, and diagnostic companies around the globe.

SPBT BUSINESS OFFICE

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