



# BOOK SUMMARY

## The Turnaround Leader

By Wes Wheeler

**ARIS JERAHIAN**  
mindset . momentum . merakee



## **The Turnaround Leader by Wes Wheeler**

### **THE SUMMARY IN BRIEF**

In the volatile and competitive world of business, adversity is unavoidable, but failure is not. Wes Wheeler's *The Turnaround Leader: Rebuilding Great Organizations in the Face of Adversity* provides a valuable blueprint for restoring struggling companies and achieving sustainable success through disciplined leadership, hard work, and practical strategies. Drawing from his impressive career, Wheeler explains how even a business on the verge of collapse can bounce back with the right mindset, work ethic, and integrity.

Rooted in his early experiences, from delivering newspapers to managing major projects or leading reputable pharmaceutical companies, Wheeler's journey exemplifies resilience and constant adaptation. His leadership during economic instability, strict regulatory scrutiny, hostile takeovers, and the COVID-19 pandemic offers a helpful guide for entrepreneurs and aspiring leaders alike. With a refreshing mix of realism and optimism, the book not only shares Wheeler's personal growth but also provides readers with the essential tools to overcome hardships in any situation industry.

### **IN THIS SUMMARY, YOU WILL LEARN:**

- Identify and address systemic issues that lead to organizational failure.
- Valuable strategies to guide companies through financial, operational, or reputational crises.
- How strong a work ethic and integrity can ensure long-term success.
- Real-world lessons from turnaround efforts in high-stakes industries like pharmaceuticals.

### **Chapter 1: Beginnings (1963–1978)**

#### **Turning Around Family Failures ... and Finding a Path to My Purpose**

My childhood years were marked by two significant setbacks: one in business and, shortly after, one in a marriage. The business setback occurred when I was seven years old.

My family and I had lived in Spain for two years, then returned to Clason Point, New York, in the spring of 1963 to witness the remnants of a disaster — the still-smoking embers of the Wheeler Yacht Company. The shipyard had burned to the ground.



The fire destroyed my dad. His lifelong dream – taking over the family business – was reduced to ashes. When I was twelve, he divorced my mother and remarried twice.

I helped my mom at home. Wanting to be responsible, I started working at ten, washing cars, shoveling snow, and mowing lawns. When I was twelve, I got lucky. I landed a paper route.

My first job as a paperboy led to a lifetime of work and discipline. My paper route established habits that I continue to follow to this very day, instilling in me a life of hard work. It's where my work ethic was born.

I earned my degree in mechanical engineering from Worcester Polytechnic Institute (WPI) in 1978.

I graduated with distinction, the WPI equivalent of cum laude, and subsequently received several solid job offers. I said yes to one of the world's largest oil companies, Exxon.

## **LESSONS LEARNED**

Failures can lead to opportunities. Struggling through early failures—even those not of one's own doing—often instills an instinct and a burning drive to make the future better. Working hard at a real job from an early age will establish a healthy, lifelong work ethic.

### **Chapter 2: Exxon (1978–1989)**

#### **A Whole New World**

I like to call my time at Exxon a “career boot camp,” where I gained professional discipline. From 1978 to 1989, I learned management and life lessons at Exxon Research & Engineering Company (ER&E). During five of those twelve years, I worked abroad on assignments in the United Kingdom, Japan, South Korea, and Italy. In the United States, I held positions in New Jersey and California.

After several projects and relocations, and after twelve years of being in the top 10 percent of my peer group, I wanted a promotion. But the promotion I felt I'd earned through more than a decade of outstanding service would not come, I was told, for at least a few more years.

That angered me. I lost my patience. A phone call changed everything. An area code from North Carolina. A man named Tim Tyson, a leader in the pharmaceutical industry, asked if I would consider a career change. Yes. Yes, I would. Boot camp was over.



## **LESSONS LEARNED**

I believe starting your career at a large, established company is valuable. Why? It teaches you to work with leaders and colleagues of all kinds—brilliant, demanding, lazy, or unsuccessful. It introduces structure into your work life. You learn to navigate the maze of rules, policies, mood swings, deadlines, and dramas in the business world.

### **Chapter 3: Glaxo (1989–2002)**

#### **Acquisitions, Mergers, Launches, and Carving Out a Global Operation**

I had never heard of Tim Tyson before his call. I didn't know anything about his company either. I discovered that Glaxo has been a leading player in the pharmaceutical industry for over a century. Tim Tyson was a leader there. He needed help with a significant project—a large \$350 million (more than \$700 million in today's dollars) new greenfield R&D campus in RTP, North Carolina—and he heard I might be the right person for the job.

I accepted the job. That decision turned out to be one of the most important choices of my life. Against all odds, the construction of the Glaxo R&D project met the October 18, 1991, deadline. The project was a success, finishing on time and under budget.

This achievement led to my long-awaited promotion. I took on a new role as director of engineering for all Glaxo's RTP facilities. I now had a team reporting to me.

#### **My Move from Engineering to Marketing**

In July 1993, Glaxo rewarded Tim for his extensive oversight of campus construction with a long-sought promotion of his own. He then received a second promotion, to vice president of sales and marketing, a significantly larger position. Tim asked me to take on the title of Group Director of Marketing Services.

This was a pivotal moment in my career. I went to work mastering this new trade. I read, consulted with marketing experts, and conducted experiments. I learned everything there was to know about marketing, drugs, and the development-to-launch cycle.

#### **From Marketing to Manufacturing**

Unexpectedly, GlaxoWellcome came under intense scrutiny from the FDA regarding the manufacture of sterile drugs in the United Kingdom. It was a major crisis. Tim picked up the phone again and called me. Tim Tyson, the fixer, needed his fixer. I accepted the job and was promoted to Senior Vice President of GlaxoWellcome's Manufacturing Strategy. I had no





idea how to create a manufacturing strategy, but by this point in my career, I knew I could figure it out.

GlaxoWellcome operated approximately sixty-five manufacturing sites across numerous countries. Its manufacturing process was highly complex. The factories were not centralized. While Tim concentrated on politicking and addressing FDA issues, I started developing a global restructuring strategy for manufacturing.

### **More Kingdoms to Merge: The Creation of GSK**

GlaxoWellcome would merge with another major pharmaceutical firm, SmithKline-Beecham, to form a new entity, GlaxoSmithKline (GSK). For me, the merger meant suddenly managing the restructuring of a manufacturing system with 109 factories instead of 65.

Every week, in plain sight, I witnessed political backstabbing between the legacy Glaxo personnel and the legacy SmithKline personnel. If anything, my disillusionment felt deeper than it had at the end of my Exxon service. I grew so frustrated that I began to brood over my next move.

Then something happened. Déjà vu, all over again. My phone rang.

### **LESSONS LEARNED**

It is possible to make a real difference in a large company. Find a way to stand out from the crowd. Take on tasks and work that no one else has the courage or energy to handle. Tackle the tough stuff. The impossible stuff. Fill the gaps. That's how you set yourself apart from the rest of the others.

### **Chapter 4: DSM Pharmaceuticals, Inc. (2002–2003)**

#### **A First-Time CEO Grapples with an FDA Warning Letter ... and Turns Around a Troubled Company**

I accepted the job as CEO at the DSM Pharmaceuticals facility in Greenville, North Carolina. I would become my boss. With Tim Tyson's blessing, I felt free to reach for the highest rung on the corporate ladder: chief executive officer. That next rung, though, came with splinters.

DSM (formerly Dutch State Mines) bought Catalytica for \$800 million in cash and debt. The Dutch bought Catalytica under a colossal misunderstanding. They thought their acquisition gave them a pharma company with the industry's famously high margins. They didn't understand that a CMO is an entirely different business.



After closing the deal, the new owners in the Netherlands stared in surprise at a document called a “warning letter,” which sternly stated that the Greenville site was in multiple violations of the US Code of Federal Regulations CFR 21, Part 11.

Something like a corporate miracle would occur during my brief one-year tenure. It only happened, though, through the most challenging work of my life so far. Our successful efforts and facility turnaround would ultimately be quantified by two major product launches, a growing revenue base, and the increased output from operational improvements. We got the product moving again, and our revenues started to grow. Progress also showed on the regulatory front.

I could have spent the rest of my life steering this company into the destiny it deserved after our remarkable turnaround. But then the phone rang. Tim Tyson called. Tim had landed something new, something enticing. The latest outpost was a company called ICN Pharmaceuticals, based in Costa Mesa, California. After a great deal of thought, I decided to go for it.

## **LESSONS LEARNED**

Dying companies can be saved. It requires grit, determination, good people, and a steady hand.

Regardless of the situation, you must win people's hearts and ignite their enthusiasm. Set a clear plan for success, repeat it often, and others will follow.

## **Chapter 5: Valeant Pharmaceuticals International, Inc. (2003–2007)**

### **An SEC Consent Decree ... and Fixing a Broken Company**

ICN came to life in a garage in Los Angeles in 1959 when a young graduate of Tulane University’s biochemistry program borrowed \$200 to buy equipment to synthesize chemicals he could sell to research labs. Milan Panić would eventually grow his little endeavor into a global company named ICN Pharmaceuticals, later renamed Valeant, while also serving as Prime Minister of the Federal Republic of Yugoslavia (1992–1993) and running unsuccessfully for president of that nation (1993).

Panić left one year before I arrived—and with ICN still under the stigma of a stiff SEC Consent Decree. Robert O’Leary, an ICN chair and the new CEO, sought capable help to manage such a complex enterprise. However, neither Tim nor I would be completely prepared for the corporate chaos we were about to enter.



### **Three Strategies for Change**

Tim's reinvention of Valeant will focus on three strategies: Restructure, Transform, and Innovate grow.

- To restructure, Valeant would divest itself of the parts of its business that didn't generate a profit.
- To transform, Valeant would prioritize efficiency and operational excellence.
- To innovate and grow, Tim and Rob knew the real key to a turnaround —they needed to fill the Valeant pipeline with new products that would create fresh sources of revenue.

I asked Tim for a role leading the North American business unit. I also asked to lead their global marketing team. Additionally, I asked to lead mergers and acquisitions. Tim agreed to all.

### **New Branding, New Attitudes**

With the help of an agency, I initiated a project to revamp the company's brand. In 2003, ICN became Valeant Pharmaceuticals International, Inc. The stock ticker changed to VRX. A commanding purple—the historic color of royalty—animated our Valeant logo and all our branded materials.

The leadership team was enthusiastic. Valeant was ready to shed the past and build a strong new image.

Eventually, the acquisition of potential blockbusters, along with the fresh cash, the burgeoning pipeline, ongoing clinical trials, and the growth of smartly marketed portfolio products, made 2005 a pivotal year in Valeant's turnaround. And that continued to show progress through 2006.

Tim had these surging revenues, a new management team, and a new board of directors. Valeant was his now. He yearned to make a bold move that would leave a lasting mark on the pharmaceutical industry.

However, the involvement of the fabled consultancy firm McKinsey & Company and the hostile takeover by an activist private equity firm would soon spell trouble for Tim and all of Valeant.





## **A Momentous Career Decision**

My phone rang. Again. JLL Partners wanted to talk to me about the CEO position at Patheon. I said yes. For the second time, I'd leave Tim for my own greener pastures. It was a tough decision. We'd had so much success with the Valeant turnaround. We truly fixed the company, despite all the noise around us.

### **LESSONS LEARNED**

There are good people and bad people in business, just like in all of life. We need to recognize the bad actors early. If they work for you, you must remove them. If they control you, a decision must be made: either learn to trust them or watch your back. But trust must be earned through actions. If bad actors go unchecked, they can and will destroy you.

## **Chapter 6: Patheon, Inc. (2007–2010)**

### **Building a Quality Reputation during a Corporate Takeover**

I look back on three tumultuous years at Patheon with mixed feelings. The opportunity to run a public company on my own for the first time was an excellent experience. However, that stint also stands among the most challenging periods in both my professional and personal life.

As Patheon's new CEO, I led a company turnaround that positioned it for tremendous future success. I achieved this goal despite factions at war in a corporate takeover and despite the Great Recession, which chilled the global economy like a new Ice Age.

By the time I left at the end of 2010, I had stabilized the fragile and disorganized company I had initially taken over. The organization had avoided financial collapse, and by 2010, all the Patheon financial indicators were trending upward.

### **LESSONS LEARNED**

Sometimes bad things happen. A market crash. A global recession. We have no control over these things, but if we remain true to ourselves and do what is right for our businesses and people, we can survive and succeed.

## **Chapter 7: Marken (2011–2019)**

### **Turning a Complete Financial Write-Off into a Global Industry Leader**





Soon after leaving Pathéon, I launched my consulting practice, WPWheeler LLC. A company called Apax Partners recruited me as an advisor. After a few months, Apax asked if I would be interested in running Marken, a clinical logistics company it had purchased about a year earlier.

I had no real experience in clinical logistics, but something about Marken intrigued me. It was global, and it had a good reputation for quality.

Marken would test all my skills in leading a company. As it happened, I was equipped with a solid team, and we would lift Marken from financial ground zero, transforming it into a renowned global player with unrivaled leadership in its sector.

Marken was sold to UPS on the winter solstice, December 21, 2016. We became one of the best-performing segments within the vast UPS global operations, with margins that were accretive to its parent company.

## **LESSONS LEARNED**

In business, quality and service win. One can take a failing company and transform it into a business that genuinely cares for its customers. Above all, never underestimate the value of decisive leadership when faced with adversity, ill-intentioned individuals, and misaligned board members.

## **Chapter 8: Bushu Pharmaceuticals Ltd. (2017–2021)**

### **What Not to Do When Hiring a Consultant**

During the years I led Marken, I also assisted a Japanese company called Bushu. The story illustrates the power of experience, partnership, and leadership in overcoming seemingly intractable problems.

My long-ago Exxon assignment in Japan provided me with a solid understanding of how Japanese business leaders thought and made decisions. That Japan experience, along with previous turnaround work at DSM, Valeant, and Patheon—work that included international engagements in Japan and other Asian nations—rewarded me with a clear vision of how to get Bushu back on course.



## **LESSONS LEARNED**

Consultants can be helpful, but also can be dangerous. We hire CEOs for the ability to set a vision and a strategy. Consultant input is valuable, but a good CEO will know how to utilize that information or disregard it before charting a course for the future.

### **Chapter 9: UPS Healthcare (2019–2020)**

#### **The Design and Launch of a New Vertical Business Unit**

UPS, the world's largest and most essential logistics company, put up its first pharma facilities in 2005. These nascent UPS Healthcare logistics efforts, though, fell short of their potential.

With Marken performing well in 2018 and 2019, I found myself attending more and more meetings in UPS's C-suite. I became central, in fact, to a Big New Idea taking shape.

Jim Barber, UPS's chief operating officer, began to lean toward establishing a new business vertical within Big Brown dedicated to healthcare logistics. Carved out of an existing UPS profit and loss (P&L) statement, it would become the first independent, industry-focused business unit within the century-old, integrated UPS network.

Jim asked me to be president of the new division. In December 2019, I started work.

#### **Standing Up UPS Healthcare**

My new organization would have its own finance, marketing, and engineering functions. It would also have independent departments for information technology, human resources, communication, legal, and sales.

In January 2020, we launched a new brand and name for our division. We were UPS Healthcare. We focused on complex healthcare customers, including pharmaceutical and medical device companies, laboratories, hospitals and clinics, diagnostic testing companies, and other organizations that support these sectors.

Audaciously, our team even made a logo change. For the first time in UPS's proud 115-year history, the UPS shield was allowed to use a color other than brown. We made it blue to distinguish the new division for our customers and within UPS itself.



UPS Healthcare had 114 facilities in 25 countries and 7,000 employees. That's where we started life, in March 2020. And that's where we began saving lives as a great pandemic swept the world.

## **LESSONS LEARNED**

Established companies cultivate cultures that are deeply ingrained in the hearts and minds of their leaders. Sometimes, such strong company cultures stifle entrepreneurial thinking internally and kill unique ideas. A strong leader is willing to step out of a cultural quagmire and create something unique and different for the greater good.

### **Chapter 10: UPS Healthcare (2020–2023)**

#### **Battling a Global Pandemic**

By April 2020, the United States reported one million COVID-19 cases. Stores and institutions shuttered. The economy stalled, except for online businesses. The world was in lockdown.

UPS Healthcare would become essential to three significant COVID-19-era logistics efforts, each of unprecedented scale and paramount urgency:

1. Personal protective equipment (PPE): We established a logistics pathway to deliver and store all the necessary PPE.
2. Test kits: We developed a logistics program that enables the delivery of COVID-19 test kits anywhere.
3. Vaccines: We built a global supply chain to store and deliver COVID-19 vaccines.

These initiatives undoubtedly saved many millions of lives.

#### **Post-COVID-19 Progress**

Meanwhile, life went on for UPS Healthcare, the business. Anticipating the age of biologics and proven so spectacularly right by our COVID-19 preparation, UPS Healthcare industriously built out our cold chain around the world.

On April 17, 2023, I retired from UPS, marking the pinnacle of my forty-five-year corporate career. We had ten thousand employees worldwide and had exceeded all expectations. During my three-year presidency, our growth rate was triple that of the industry.



## **LESSONS LEARNED**

A global crisis, for all the harm it does, can hold a silver lining. It can drive needed changes by making it easier to break restrictive rules. My advice? Run to the fire, not away from it. Utilize the power of a leadership position to establish innovative new practices.

### **Chapter 11: What's Next (2023 And after...)**

#### **Building Boats and Beyond**

I'm certain the next phase of my life will be filled with more business ventures. My top priority, though, will involve reviving a solid family brand and building boats.

My great-grandfather, Howard E. Wheeler, started the Wheeler Yacht Company in 1910. My dad never got over the loss of the company. So, it has fallen to me to revive the Wheeler boatbuilding craft and name. I reformed Wheeler Yacht Company in 2011. The Wheeler boatbuilding business is back, though at a much smaller scale.

You should now understand what drives me. I see that my purpose—my love—is fixing things. Families, after my dad left. Businesses are struggling to survive—boats, deserving of glory instead of ashes.

*The summary is not intended as a replacement for the original book, and all quotes are credited to the above-mentioned author and publisher.*