



AT THE HELM

Joe Kuchta, president and CEO, and Mark Goble, COO

PERFORMANCE

Revenue up 27% this year

HIGHLIGHTS

Bought majority ownership of digital marketing agency JHG

Grew organically with long-time client Hospira, adding three device assignments

Added work from Sandoz, BioCodex and Quidel

Headcount up to 77

CHALLENGE

Taking full advantage of the relationship with JHG

For contact details, service offerings and client roster, see Agency A-to-Z, beginning on page 173

“We’re making this investment so we’re just as relevant to clients in 10 years as we are now”

—Joe Kuchta

G & A Healthcare Communications

Acquisition of digital shop helps boost firm’s revenue into the double digits



Chicago shop G&A president and CEO Joe Kuchta reports 2009 started off relatively slow, but business took off at the end year. Revenue ending 2009 was pretty much flat at close to \$20 million, but it’s up 27% already this year.

“April and May 2009 were flatter than we’ve been used to in the last 10 years,” Kuchta says. “We controlled payroll cost and [addressed] inefficiencies without really upsetting anything. It got us through. We have a strong base of loyal clients. I don’t have to go fishing for new clients to replace old ones. If that was the worst for us, we consider ourselves very lucky. Some competitors went out of business, or came close, or let a lot of people go.”

In December last year G&A bought majority ownership in five-year-old San Diego-based digital marketing agency JHG, which has clients in sports, entertainment and other sectors. Kuchta says he and COO Mark Goble had known JHG’s principal “for a while.” After JHG sought business advice from G&A early last year, Kuchta says it became obvious that the two agencies should get together. In business 28 years, G&A knows a thing or two about running a successful agency, and JHG has a lot of digital expertise that G&A can use. The agencies will share resources and

expertise but maintain separate identities. “We know where the business of communicating is going,” says Kuchta. “We’re making this investment so we’re just as relevant to clients as a communications partner in 10 years as we are now.”

New wins last year include three new device assignments from long-time client Hospira (Endotool, LifeShield and Marrow Minor). Other business came in from Sandoz (human growth hormone), BioCodex (professional and consumer work on probiotic Florastor) and Quidel (QuickVue for cancer screening).

Headcount dipped from 70 to 65, but it’s up to 77 currently in Chicago. Joining last year were Scott Fanelli, group account director; Susan Choudhry, account director; and Bob DeBartolo, VP of integrated strategy.

Kuchta sees concern in the industry about how healthcare reform will impact business. “Some will gain and some will probably not,” he says. “There’s so much uncertainty framing actions.”

He feels lucky that G&A clients, such as Shire Human Genetics, Hospira and Phadia, are growing given the seemingly never-ending cuts in Big Pharma. “The big guys are trying to...survive,” Kuchta explains. “Big companies are cutting and the smaller ones are gaining and adding resources. Shire Human Genetics has grown dramatically in the US. They’ve made significant inroads just in the four years we’ve worked for them.”



The new-generation vitamin for new-generation moms

Above: A consumer ad for Upsher-Smith’s PreNexa; Top: Unbranded sales aids for the IgE allergy test

Kuchta expects to continue on course with double-digit growth this year, and he’ll likely hire a few more people. He says benefits of working with JHG are already apparent, and he’s looking forward to developing the relationship. “I’m not sure we’ve taken full advantage of it on either end yet,” he adds. “By the end of year, I fully expect to have clear idea of how we’re going to work together. Then it’ll be a matter of what we do with it next year. We’ll know more what the combined offerings can mean for our clients.” —Tanya Lewis