



AT THE HELM

From left: Kerry Hilton (CEO), Nancy Beesley (Partner, CMO), Lloyd Sheep (Partner, COO)

PERFORMANCE

Revenue increased 24% to \$7.7 million

HIGHLIGHTS

Named Agency of Record for Alcon Labs' US surgical business

Getting recognition for device expertise

A bigger demand for, and focus on, market research

CHALLENGES

Incorporating a global perspective into the agency's work

For contact details, service offerings and client roster, see Agency A-to-Z, beginning on page 181

HC B Health

A firm handle on the medical-device market leads to rising revenues

Having celebrated its 10th anniversary last year, Austin-based HCB Health also saw its revenue jump 24% to \$7.7 million. New business highlights included multiple assignments from Covidien on several respiratory and neurological monitoring devices. Early this year, the agency's relationship with Alcon Labs expanded to include AOR for US surgical business.

"Last year was a tipping point," says partner and CMO Nancy Beesley. "It was the biggest year we've had for gross income. We moved into a new space, and we really exploded in terms of people, accounts, and how we're viewed on the national stage. Going to the awards last year, we were no longer the little kids on the block. We're attracting bigger and bigger clients—Covidien is the fifth-largest device company in the world, and we now have one third of Alcon's business."

CEO Kerry Hilton notes HCB was "born with a medical device" (the V.A.C. by KCI), and he's proud that the agency's device expertise is widely recognized.

"Our medical device business has really matured," Hilton says. "Prospects and clients tell us they come to us for our wealth of knowledge in the device space. We're viewed as one of the top two medical device agencies in the country."

Last year HCB also picked up consumer and physician awareness work for California Pacific Medical Center and launch assignments from Edgemont Pharmaceuticals, an Austin company that's reformulating dosage and remarketing well-penetrated drugs.

Work with US Oncology Network was retained after McKesson acquired it, and additional work for McKesson Specialty Health was picked up. The agency also won digital work for the Thyroid Head and Neck Cancer Foundation, and rebranding for one product line and project work for Hollister Woundcare. A

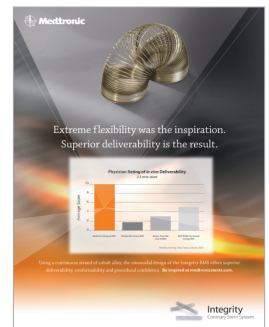
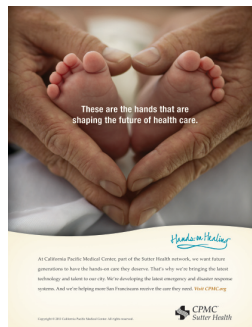
national consumer awareness campaign for Cochlear Americas was won, launched, and completed.

Digital accounts for about 35% of work, and it's increasing. Kathy Field, formerly a creative director at Austin tech shop SicolaMartin, joined this year as group creative director. Hilton says she'll help continue to drive integration of traditional creative and digital.

Partner and COO Lloyd Sheep notes demand for market research is another key business driver. Eight device research assignments are currently underway in the US, Europe, China, and Brazil.

"We're taking original research and looking at available syndicated research for the marketplace to put it in context so we can give clients recommendations for the best way to commercialize or market their product," Sheep explains.

Headcount was up about 25% to about 50. Hilton says more space may be needed soon. Hires last year included local PR talent Lisa Lawrence. The agency is still hiring and will recruit more from outside Austin.



HCB created ads for (clockwise from left) the Cachet phakic lens, California Pacific Medical Center and the Integrity coronary stent system

"People feel more confident about making the move to Austin because we've been around 10 years and we're growing," Hilton says.

Working with large device companies on new launches or relaunches is a priority. The agency is currently in the final rounds of pitches for several big device companies and a few pharma companies. Revenue is expected to trend up 20% to 30% this year.

"We're looking at things from a global perspective in terms of both account management and data," Beesley says. "Healthcare reform is important, but it only affects one market. We're looking at more than one market. We really understand that for medical device companies, whereas a lot of agencies don't."

—Tanya Lewis

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