

CASE STUDY

The First \$20 Million Was the Hardest - The Physiometrix Story

Like most start-ups Physiometrix was looking to raise money even as it was trying to break in to an established and conservative professional market. The company's products and services were centered on a new technology for monitoring EEGs (brain waves) that made the procedure easier for both patient and technologist.

Having an understanding the marketplace for medical devices gives AAI an insight into the relationship between medical device companies and venture capital. For example, we worked with Physiometrix from its inception to a \$20 million IPO that sold out in a day, and continued on until the company was acquired by Baxter.

The double goal of raising capital while introducing a product based on new technology called for an integrated marketing and advertising program that included an investor road show, financial and public relations programs, and several product roll-outs. This was supported by aggressive advertising, targeted direct mail, effective collateral materials, and trade event participations.

Results:

But before writing copy or budgeting promotional activities, AAI took the time to interview neurologists and talk with technologists responsible for conducting EEGs. The resulting advertising program brought in double-digit response from direct mail and increased Physiometrix's customer base by a third in just two months.

