

INSIDE

Back to the drawing board

City sues prominent architecture firm over repair work on east Houston parking garage.

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DOCTOR IS IN:

Series of factors prompts hospital to sell chain of urgent care clinics to local doctor/PAGE 2A



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CITYBEAT

Neon craftsman sheds new light on old GM signs

Don Jones is going on a vintage ride with a giant auto-maker.

The owner of Industrial Neon Corp. has been picked to produce a new series of limited edition vintage signs commissioned by General Motors.

TOOLBOX

BOOKS



Start & Run a Copywriting Business
 By Steve Slaunwhite

Corporations and agencies outsource most of their copywriting and need copywriters more than ever today — including for Internet marketing. Most copywriters cannot keep up with the demand for their services, and many make between \$50,000 and \$150,000 annually. "Start & Run a Copywriting Business" is a guide to getting started and prospering in an industry that offers substantial income, flexible hours and stimulating work.

This book will provide new copywriters and old pros alike with proven, step-by-step strategies on how to find and keep clients, complete common copywriting tasks, set up an effective office, and overcome the unique challenges inherent in this business.

Topics covered include:

- Deciding if copywriting is the right opportunity.
- Mastering basic copywriting techniques.
- Getting started in the business.
- Setting rates and quoting on assignments.
- Tapping into top markets.
- Effectively marketing services.
- Managing work, time and money.
- Troubleshooting and getting help.

Author Steve Slaunwhite, a copywriting expert with 20 years of experi-

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 SALES MOVES 20A



Dax Alexander of Dax Marketing + Creative: 'The typical ad agency is going away because people don't want to spend \$200 per hour. You can't get away with that anymore.'

Cyber pitching

Using only freelance labor, virtual ad agency Dax Marketing + Creative has carved out an entirely new space

BY RAY HAFNER
 SPECIAL TO HOUSTON BUSINESS JOURNAL

Many businesses measure success based on a growing employee base — but not Dax Marketing + Creative. In fact, with no offices and no staff, the ad agency is at the top of its game.

Dax is part of a unique breed of virtual ad agency. Everyone who works for the firm, with the exception of 32-year-old founder Dax Alexander and another manager, does so on a freelance basis.

"The typical ad agency is going away because people don't want to spend \$200 per hour," Alexander says. "You can't get away with that anymore."

The firm's motto to do things differently is

evidenced by a tombstone on its Web site that reads: "Dear Big Traditional Ad Agencies, R.I.P."

Indeed, when Dax Marketing + Creative lands a marketing or advertising job, the work is divvied up on an online portal and assigned to a pool of freelancers who complete their tasks and send the work back to the portal.

"We're able to quickly assemble a team," Alexander says, pointing out that members of the team can work wherever and whenever they desire.

Once a project is completed, an assigned project manager goes back and rates each one of the freelancers according to a 14-met-

SEE DAX, PAGE 16A

DAX MARKETING + CREATIVE

BUSINESS: Advertising and marketing

FOUNDER: Dax Alexander

FOUNDED: June 2005

REVENUE: \$100,000 since June 2005

EMPLOYEES: More than 30 freelancers

WEB SITE: www.daxmarketing.com

STRATEGIES

DAX: Freelance-based firm hits home run with unique advertising, marketing pitch

FROM PAGE 15A

rics system that Alexander designed. While the system measures the obvious factors, such as speed and the quality of work, it also includes things such as integrity. For example, if a freelancer is allotted five hours for a flash design but only bills for the three hours the work actually took him, that contractor gets a higher rating. This allows a project manager to instantly find the best fit for future jobs.

"What our talent likes is that this is something they can do on the side and they're not tied to a job," says Alexander, who works from his home.

Dax Marketing + Creative pays employees based on rates determined by their geographical market — so a top New York artist might get \$28 per hour while another designer doing work in Mumbai gets \$6 per hour.

Although they are working from remote locations across the globe, Dax says the firm's freelancers still get the feeling they are part of a team.

"Even though we're virtual, we subscribe to traditional HR philosophy," he says. "People who do work for us get the impression they're working for a traditional company."

Dax says the fact that the workers can be located anywhere in the world and that they most likely don't know one another allows him to assemble "dream teams" of artists for clients.

"You have access to that talent in a very cost-efficient way," he says.

Not having any real overhead, such as rent, allows the company to take on jobs of all sizes. The smallest task to date was a \$600 gig to look over a poorly designed Web site and offer recommendations. The assignment took only one art direc-

tor, but was in a sense just as profitable as the company's largest job, the creation and launch of a full \$20,000 branding campaign.

OPEN MARKET

Dax Marketing + Creative was started in June 2005 on just \$25,000 and Alexander's personal connections, many of which stem from his eight years working at Lehman Brothers in New York, where he started as a graphics designer and eventually managed creative services.

Since the launch, Dax Marketing + Creative has booked \$100,000 in revenue and looks to expand its own marketing in 2006, especially in the Houston area.

Alexander says the firm has about 10 regular clients, including large companies such as Pitney Bowes, which uses Dax Marketing + Creative for flash and

Power Point design.

Early on, Alexander volunteered his company to do pro bono work for the Gulf Coast Regional Center of Innovation and Commercialization, which processes applications for technology grants in Texas. Dax Marketing + Creative designed the logo and Web site for that organization.

Hilla Barzilai-Abileah, director of marketing for the Houston Technology Center which oversees the Gulf Coast RCIC, says Dax Marketing + Creative's untraditional business model was not difficult for her to digest.

"I have no idea where their people sit — physically, they're all over the place," Barzilai-Abileah says.

Still, she says, the firm has been remarkably responsive, replying promptly to e-mails and phone calls.

Dax says client questions and issues are actually kept to a minimum because of the firm's Web-based portal, which allows clients to follow the work online.

"Since it's all Internet-based, we never needed to see any proofs," Barzilai-Abileah says.

A portal system that Alexander accesses on his laptop classifies jobs using red, green and yellow lights. Green means the project is finished, and yellow means it's in progress. A red light means it's fallen behind schedule.

And while the system allows Dax to keep close tabs on his workers, he says one of the firm's biggest challenges has been finding the right kind of freelancers.

Not only do the freelancers have to be independent and able to manage their own time, they need to have excellent communication skills, especially in writing. And unlike in a typical office, freelancers can't just pop their heads over the cubicle next to them to solve a problem. Most of the firm's communication is done through e-mail.

Alexander says the next step is to grow his client list in tandem with his freelance pool. One unique problem surfaced when Dax was trying to get some interns on board. Because most colleges require students to physically go somewhere to work, an internship program hasn't worked with his model.

Houston, he says, presents an excellent opportunity to grow the company because the city is underserved when it comes to both ad agencies and talent but flush with business, especially energy money.

"There's a huge opportunity. A lot of (companies) send (ad) dollars elsewhere," says Alexander, who is not aware of any other ad firms that operate using purely freelancers.

While some of the firm's clients have gotten interested in the model, Alexander says, most care more about traditional concerns such as quality and reliability.

"Even though we are 99 percent of the time the lowest-cost provider we don't lead with that," Alexander says of his business pitches.

In fact, other ad agencies have even outsourced work to Dax Marketing + Creative.

"Our prices are that competitive," he says.

Alexander says his company owes its success so far to one really good idea. As it grows, he's actually looking forward to the challenges that will inevitably arise.

"Every challenge that we have to overcome is a barrier to entry for others," he says.

RAY HAFNER is a Houston-based freelance writer.



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 - No. 2 Real Estate Lender Based on Capital Commitments to the Real Estate Industry³



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