

CASE STUDY v.3

## FROM LESS THAN \$1 MILLION TO \$42 MILLION IN FIVE YEARS

### OVERVIEW

A small, diversity supplier was mired in a saturated market selling medical-surgical products and disposal, as well as pneumatic compression products, to Ambulatory Surgical Centers [ASC] on a commodity basis. The supplier was desperately in need of a breakthrough. With no major accounts, contracted Group Purchasing Organizations [GPO] or Integrated Delivery Networks [IDN], company leadership reached out to **Excelerant Consulting** for guidance and support.

### CHALLENGE

With no significant contracts secured, the supplier was foundering. Making matters worse, there was no performing value proposition or national accounts strategy, only seven Independent Sales Reps [ISR], and a lone manager reporting to ownership. In essence, the supplier was trapped in a cycle of anonymity and stalled progress.

### EXCELERANT SOLUTION

Excelerant took on the challenge and completely overhauled the supplier's value proposition, developed a targeted national accounts strategy, strengthened its clinical "war book", immediately added more than 20 sales professionals, and focused on IDNs as well as selling the company's story to GPOs with assurances it could meet members' demands if an agreement were to be forged.

### RESULTS

Within seven months, a major IDN was converted along with several smaller hospitals. A partnership was put in place with a university health system that was leveraged with a GPO, leading to more GPO contracts. ROI on Excelerant Consulting fees was achieved in just nine months.

More numbers:

- Within two years, the supplier grew to 35 ISRs and distributors, and secured a contract with the largest GPO leading to \$25 million in new business in the first three years of the contract.
- Within five years, 42 IDN contracts had been secured and the supplier went from relative obscurity and less than \$1 million in annual sales to \$42 million.
- Within six years, 7 GPOs were added, leading to \$51 million in revenue. Not only were contracts in place, the supplier earned sole-source agreements with aggregate group programs within GPOs.

In the seven years Excelerant partnered with the supplier, it grew to No.3 in its space, expanded its workforce and added three buildings to its campus. The supplier was eventually acquired by a competitor for a multiplier of 2.5x topline revenue.