

Innovation and flexibility define success

Streamlining Healthcare: *As an independent distributor, how would you characterize your role within the supply chain?*

Clock: I think independent distributors are driven by an entrepreneurial spirit. We seek to address an issue or problem that national companies might not, work to grow market share by serving that issue, and stay true to our business in the face of pressures that come with scaled growth. We maintain our uniqueness by focusing very specifically on what we do and what we do best: We're both distributors and service providers.

To me, our role within the healthcare supply chain is to find opportunities to innovate and run with it. For example, one big disruptor right now is consolidation. When physicians close their offices and become hospital employees, a separate buyer in the market is lost. But it's actually a dual-edged sword because every time there's market consolidation, players tend to break off and try new things. That's where independent distributors thrive, because if you are willing to stay flexible and adapt to serve these individuals, that entrepreneurial spirit can lead to great success.

Streamlining Healthcare: *You mentioned consolidation as a market disruptor. What other trends are impacting your business?*

Clock: I'm an extended care distributor, meaning if you're not a hospital or physician office, you're my customer. Demographically, there are two significant trends influencing my business and the providers we serve. The obvious one that you hear the most is that the Baby Boomers are aging. The number of older people entering our healthcare system contrasted with the number of working-age, qualified individuals leaving the care system makes it difficult for providers to keep up. But distributors are the most efficient deliverers

of care products and we must align ourselves with provider-partners to help ease this pressure within the new ACO/bundled payment/managed care environment.

In addition to that, babies are being born today who may not have survived 10 or 20 years ago. These individuals could have developmental problems and medical needs that follow them throughout their lives, but advances in medicine and medical-surgical products are allowing them to maintain fruitful, high quality lives. They are still heavy consumers of healthcare, however, and it's imperative to collaborate with providers to keep them out of hospitals. Every opportunity I get to effectively and efficiently prove myself to my customers separates my business from all the other noise going on in healthcare.

Streamlining Healthcare: *How are you differentiating yourself to help your customers?*

Clock: Our customers have been forced to take Medicare cuts to pay for sequestration, the doc fix, and CMS's competitive bidding program for durable medical equipment. They are looking for opportunities to save, but we've already squeezed the rock dry on lowering prices. It's my job to educate customers to look at us as a resource to innovate and drive revenue in addition to savings.

There's real opportunity to change the current culture of waste and redirect available resources toward focused recoveries, continued wellness programs, and preventative medicine. Patients need to take care of themselves by living healthier throughout their entire lives, and we are working hand-in-hand with our customers to develop long-term, sustainable solutions that emphasize this idea. At the end of the day, all distributors do the same thing well regarding deliveries. Our differences come from how we service our customers within that last mile.



Clock Medical Supply is a family-owned, regional distributor.

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