Distributor-manufacturer relationships become increasingly valuable

More than ever, healthcare suppliers are realizing the benefits of close alignment with distributor partners rather than going directly to providers with their products:

Gerry LoDuca, President, DUKAL Corporation, sees working with distributors as a clear-cut advantage for business. “Our company is really dedicated to developing and building a product line,” he says. “The logistical part of our business—warehousing and shipping—I don’t necessarily look at as a profit center. Distributors, on the other hand, are focused on that as their core business. They’re able to do it better than we do.”

Distributors can often secure better shipping rates than manufacturers due to higher volumes of product delivery. Allowing partners to focus on inherent strengths ultimately leads to greater supply chain efficiencies.
If our customers receive great service, have improved delivery quality to ancillary sites, and can save money in the process, that reflects positively back on us.”

Dana Becker, Director, Sales and Corporate Accounts, Horiba Medical

“Distributor sales force that asks the right questions at the end-user level can uncover concerns various buyers have and be a real asset to us when introducing our team to those customers.”

Dick Moorman, Vice President, Distributor Relations, Medical Products and Services, Midmark

As with any relationship, a distributor-manufacturer partnership requires an element of trust as there are challenges or possibilities for misunderstanding. But when it works in the way in which it is originally envisioned, it is one that is mutually beneficial and sustainable for both partners involved.

---

PARTNERSHIPS IMPROVE RESPONSIVENESS TO CUSTOMER NEEDS.

Healthcare changes in recent years have brought a complexity to the delivery system, says Joe Grispo, Chief Sales Officer, B. Braun Medical, Inc. “It’s gotten more complicated as far as how customers want to receive deliveries. They may want everything they get coming on one truck and it is becoming increasingly difficult to satisfy that need.”

Distributors, on average, carry several weeks of inventory specific to the needs of their customers and are well-equipped for complex deliveries. This is also a significant advantage in times of trouble or shortage, since distributors can absorb disruptions in the manufacturing/release process or from natural disasters.

COMBINED SALES FORCES EXPAND SUPPLIER DEPTH, BREADTH.

The sheer volume of an added distributor sales force with direct, daily provider contact is of great value to manufacturers, but suppliers are mutually valuable due to their deep product knowledge and expertise, says Dick Moorman, Vice President, Distributor Relations, Medical Products and Services, Midmark. “Our core competencies revolve around understanding the clinical space and the work that is done in that space. A distributor sales force that asks the right questions at the end-user level can uncover concerns various buyers have and be a real asset to us when introducing our team to those customers.”

“We have worked very hard over the last 10 years and beyond to establish relationships at the end-user level. We value and try to partner with distributors who own that relationship.” Combined distributor-manufacturer partnerships benefit from the supplier solutions that help drive efficiencies and effective care coupled with distributors’ broad reach and ability to deliver those solutions to mutual customers.

DISTRIBUTORS CAN ELEVATE THE SUPPLIER BRAND.

Many manufacturers are highly specialized with the products they supply, yet customers don’t necessarily want to spend time with individual sales reps representing niche products. “We can leverage our distributor’s full portfolio and offer our customers a broader, more complete solution,” says Dana Becker, Director, Sales and Corporate Accounts, Horiba Medical. “We also can leverage the strong relationships they build with providers by being a visible presence on a daily basis.”

“Distributor partners can deliver our products in a more cost-effective manner,” says Becker. “If our customers receive great service, have improved delivery quality to ancillary sites, and can save money in the process, that reflects positively back on us.”