

## A “New Supplier” That Will Make Life Easier For You!

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After viewing the healthcare environment from 1974 until now, many things have changed for both suppliers and hospitals. Having had many views from different angles, it has given me an understanding that many aren't able to experience during their careers in healthcare. In the past, I have been a sales rep for a med-surg distributor and a large healthcare manufacturer. Soon after these stints, I was in sales management for many years on the manufacturer side and then started a healthcare consulting firm called National Contracts, Inc. (NCI).

For over 16 years, I owned this consulting firm which allowed me to view every side of healthcare. We worked with large distributors, manufacturers of all types and sizes, venture capital start-ups, GPO's, IDN's and other consulting firms. I eventually sold NCI in 2000.

In 2003, I was asked to evaluate the healthcare business of a large manufacturing company with a 35-year old healthcare furniture division that was in need of growing it again. I discovered this “supposed” division was stagnant and didn't possess understanding of what the healthcare buyer, hospital, A&D firm or anyone associated with acquiring furniture, needed from the manufacturer. In addition, the management and sales team could spell H-O-S-P-I-T-A-L, but that seemed to be the extent of their knowledge.

This manufacturer suggested I visit with many of their distributors. “Distributors” in healthcare furnishings must be defined as the typical furniture supplier who sometimes sells to the public, industries and healthcare facilities and others. These are not your Owens & Minors, McKesson's, etc. These healthcare furnishings dealers or distributors understood healthcare more than the manufacturer as they are closer to you, the buyer. Buyers would tell me, *“They don't understand our needs, let alone what our goals are today with managed care AND they don't comprehend our financial issues.”* I would also hear buyers say, *“I'm tired of having these furniture sales people carry in the newest chair and try selling it to me; I need solutions, not just a new chair!”* Candidly, most of the manufacturers or dealers/distributors truly do not understand you or healthcare.

So, in 2004, we began educating the healthcare furnishings arena. We took the knowledge of our past with “typical med-surg” type manufacturers and dealer/distributors and found a niche once again.

We began looking for manufacturers and distributors who wanted to learn:

- What is a DRG and how does it affect the many aspects of healthcare and your facility?
- What are YOU, the customer, really looking for today?
- What is a GPO or IDN and how are they related?
- How does the market really function when it comes to furnishings acquisition?
- How can the dealer be a support factor as it pertains to A&D and large hospital projects?
- How can the manufacturer or dealer become a “Consolidator” or an “Integrator” for the healthcare buyer?

We tell the healthcare furnishings arena to be professional and to possess the knowledge that is needed to navigate through the procurement process required to sell furnishings to the healthcare customers. They must be respectful of all players, from materials management to hospital end-users, to the local Integrated Delivery Network (IDN) and the GPO.

We discuss healthcare strategic plans and how to build the knowledge and the necessary skills for their sales organization to successfully pursue healthcare business.

Most importantly, manufacturers and/or dealer/distributors must possess a healthcare-friendly product offering. This means having enough products in their portfolio to make them an asset to you, the healthcare buyer. It also means developing or distributing products that typical med-surg companies may be selling. A perfect example is exam tables. This product category really fits better in a healthcare furnishings distributor than it does in a med-surg dealer. We look at making these “New Suppliers” much more valuable to you than ever before.

Wouldn't it be nice to have a dealer or distributor who could sell you most of the items that aren't in the arsenal of the Owens & Minors of the world?

We believe a distributor who provides office supplies, office furniture, healthcare furniture, office equipment, janitorial and sanitation supplies and everything in between, allows you, the buyer, to save time and money. This gives you someone to rely upon, just as you do with the big med-surg distributors of today.

Joe Lozowski, President of Tangram in Los Angeles, states: *“We have been in healthcare a number of years and hired Donna Clervi as Sales Director, due to the fact that she had a strong background with Kimberly Clark in healthcare. We anticipate taking our healthcare program to new heights in the next few years. We currently have a healthcare staff of 14 and we are focusing this staff to assist the healthcare buyer in any way they can. With the growth in healthcare in Los Angeles, we also anticipate good growth over the coming years and will become more valuable to our customers with new ideas and a clear understanding of their needs.”*

We are beginning to see “Tangram's” emerge in other parts of the country. The future looks very bright for those in healthcare furnishings who desire to understand the customer. Not only are dealers/distributors gaining the knowledge, but the healthcare furnishings manufacturer have healthcare in their sights, too, and that can only mean better things for the healthcare providers!