

HME News

Feeling the pressure

Investors jump into support surfaces market

BY MIKE MORAN Editor

LOS ANGELES – A duo of private investment companies with deep pockets acquired two manufacturers of pressure support surfaces in February and have drawn up a plan to become the dominate player in this fragmented market.

The Compass Group International and Hollywood Capital have formed Anodyne Medical Device to acquire leading manufactur-

ers of medical support surfaces. The new company, headquartered in Los Angeles, acquired in February AMF Support Surfaces and SenTech Medical Systems.

“We saw a real opportunity to create an entity in the industry that could better serve the customer base,” said Mark Bidner, chairman of Hollywood Capital and Anodyne. “You need some consolidation so that the manufacturer has the critical mass to produce products that are priced com-



Mark Bidner

petitively and invest in R&D to bring products to market at a cost that makes sense.”

At Medtrade last year, 27 companies exhibited under the product category Supports & Accessories.

Anodyne’s consolidation strategy is nothing new. Investors regularly look for fragmented industries where they can become

a large player, reap economies of scale and, hopefully, profits. On the provider side, Lincare and Apria have done that for years. With the HME industry’s reimbursement pricing pressures, economies of scale are more important than ever, Bidner said.

With AMF and SenTech in tow, Anodyne has created a platform company with a robust line of foam and air products for the acute, long-term care and homecare market. Bidner and his fellow investors discovered the pressure support market through other investments.

The company expects to close on a third acquisition this spring, Bidner said. **HME**

Anodyne acquisition drives company to top, CEO says

“We are perfectly positioned to offer providers a complete product line”

By Mike Moran Editor - 08.2007

LOS ANGELES - Anodyne Medical Device spread its wings in late June, acquiring PrimaTech Medical Systems and proclaiming itself the nation’s leading designer and manufacturer of specialty support surfaces and patient positioning devices.

By rolling in Oklahoma City-based PrimaTech, a value supplier of electronically controlled specialty support systems, Anodyne gains a significant position in the HME/homecare and long-term market, said Mark Bidner, Anodyne’s chairman and CEO. Previously, the company’s support surfaces included higher-priced features more suited for acute care than the home.

“It really was a perfect fit,” Bidner said of the acquisition.

But that’s not all. Along with its line of alternating pressure and low air loss products, PrimaTech brings an exclusive partnership with Suzric Enterprise, a manufacturer in Taiwan. By combining

low-cost Asian manufacturing with sophisticated research and design based in the United States, Anodyne can enhance PrimaTech’s existing products and offer them to HMEs at a competitive price, Bidner said.

“It’s a new model to have the research and development team and designer and quality system domestically and have offshore manufacturing capability under one umbrella,” said PrimaTech’s owner Dikran Tourian, who has joined Anodyne as executive vice president of sales and marketing.

Since early 2006, Anodyne has acquired four companies (AMF Support Surfaces, SenTech Medical Systems, Anatomic Concepts and PrimaTech).

“We believe we are perfectly positioned to offer providers a complete product line,” he said.