Selling medical products was not part of Tom Vollmer’s plan when he was younger, but owning his own business definitely was. He probably got that from his dad, who was involved in many businesses. “He was very entrepreneurial—and very encouraging,” says Vollmer, owner and general manager of the independent rep firm Provision Associates, Minneapolis, Minn., and recipient of the Lee Walters Award at the recent annual conference of the Health Industry Representatives Association in Chicago.

The Lee Walters Award recognizes an individual in the healthcare industry whose contributions personify and perpetuate the attributes of the late Lee Walters, an independent rep from Texas who was instrumental in the founding of HIRA. Those attributes include personal friendship and support of associates, professional knowledge and sharing, and integrity in business and salesmanship. Vollmer, a native of Wisconsin, has served in many capacities with HIRA, including president and, most recently, government relations liaison.

From there, he returned to Milwaukee, where he had been born and raised, to take a sales and marketing position with a medical furniture maker (subsequently acquired by The Brewer Company). With Milwaukee-based Will Ross being its largest customer, Vollmer grew to understand what medical products distribution was all about.

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– Tom Vollmer, Provision Associates
In 1973, he joined Theradyne Healthcare Products outside Minneapolis as director of sales and marketing. At the time, the company was a huge maker of wheelchairs. It also was a custom manufacturer of other products for such companies as NordicTrack. Six years later, he left Theradyne and, with Hershel Orenstein, a rep in the Twin Cities area, formed Orenstein-Vollmer Associates. “I had been yelling at him for years to get some help, and he had been yelling at me that he couldn’t find any,” says Vollmer. “So we joined forces.” The newly formed rep firm, whose clients included Theradyne, focused on the med/surg and home healthcare markets.

**HIRA connection**

Not surprisingly, the medical products landscape of 1979 differed from that of today. Most notably, there existed many more local and regional distributors. “We spent a lot of time at the dealer level, working with the dealer sales forces,” Vollmer recalls. “We still do that, but we also spend more time calling on clinicians and end users, whoever that may be.” He still works with reps with whom he worked 30 years ago. Some have moved up, though. For example, Dave Larson, current president of Kreisers Inc., Sioux Falls, S.D., was a sales rep when Vollmer first worked with him 30 years ago.

Vollmer and Orenstein got involved in HIRA as soon as they formed their company. (Orenstein retired in 1996.) Vollmer has stayed involved ever since. “It’s a great place to cultivate relationships, because there’s always somebody who has had the same problems you’re having and who is more than willing to share,” he says. “It has also been a source of information on all aspects of the business.”

Today, he does government relations work for the association. “In the last five years, I’ve learned more about how the government works than I ever knew before.” And he’s glad he did. Given the massive amount of government spending on healthcare, “anyone who is not paying attention to Washington and how it operates is extremely myopic,” he says.
New president installed
Meanwhile, at the Chicago conference, HIRA installed Mike Peters of S.P.M. Healthcare as its new president. A native of the New York City area, Peters began his medical career as a sales rep for Terumo, a Japanese firm which, at the time, was just breaking into the U.S. market. Though the company was committed to distribution from the get-go, “we would go anywhere and everywhere to make a sale,” he recalls.

In 1991, he joined a colleague from Terumo, John Schwartz, to form S.P.M. Healthcare. (Schwartz has since retired.) Its focus is on the New Jersey and Greater New York City markets, carrying blood pressure equipment, thermometry, weighing and measuring equipment, exam tables and office equipment for the acute care, primary care and drug wholesaler markets. (Drug wholesalers carry sophisticated blood-pressure-monitoring equipment that doctors prescribe to some of their home care patients.)

“John Schwartz and I joined HIRA when we determined we were going to leave corporate life,” recalls Peters. “We knew we wanted to be independent sales reps, and we saw that HIRA was the best organization for that function.” He hasn’t been disappointed. “S.P.M. would not be in business 19 years later were it not for

“Our goal is for our manufacturer partners and rep members to prosper in the year 2010.”

– Mike Peters, S.P.M. Healthcare
Carolon was awarded the HIRA Allied Award of Distinction at the recent HIRA conference in Chicago. The Rural Hill, N.C.-based company, which makes anti-embolism stockings and hot/cold compression products, has been an allied member of HIRA for about 18 years, and has used independent reps almost exclusively throughout its 30-year life. The award is presented to a manufacturer that works cooperatively with reps to develop and maintain positive working relationships, and to assure customer satisfaction.

One of the keys to building positive relationships with independent reps is to treat them as you would employees, says Marcus Seitz, Carolon's director of sales. That means not only paying them in a timely, consistent manner, but making them feel part of the company. Part of that is self-interest, of course. “You’re trying to keep yourself in front of them, so they pull your product out of the bag every chance they have.”

Working with reps to assure customer satisfaction means providing “the simple blocking and tackling of sales,” says Seitz. “Make sure they have the samples they need, follow up with good marketing materials and leads, provide assistance with in-servicing when needed, and get in the field with them as often as we can,” he says. There’s one more ingredient: “Make the best product we can, so problems don’t arise in the first place.”

HIRA, and for the networking and education opportunities it provides.” Peters himself earned a CPMR – Certified Professional Manufacturers Representative designation – over a three-year period starting in 2002. The coursework, offered at the W.P. Carey School of Business of Arizona State University in Tempe, “teaches you how to better run your rep business,” he says.

As president, Peters looks forward to continuing the industry outreach efforts that HIRA initiated several years ago. The association has made a concerted effort to build bridges with other industry organizations, including the Medical Device Manufacturers Association, Association of periOperative Registered Nurses, and the Healthcare Manufacturers Management Council. It’s part of HIRA’s effort to educate the rest of the industry on the role of what Peters calls “the outsourced sales professional,” that is, the independent rep.

“We’re finding that manufacturers are looking at independent sales as a viable option to bringing their products to market and maintaining them there,” he says. “They’re looking for a smarter and more cost-effective way to improve their sales function.” HIRA members offer just that, he says. “We’re a very savvy and successful group of people,” he says. Most have been in the business for 15 years or more, and they tend to maintain their manufacturer partners for years. When a manufacturer takes on an independent rep, they do so at no cost (the rep doesn’t get paid until he or she makes a sale), and sales activity tends to begin almost immediately, given the relationships that reps have built over the years.

“We’re coming off our most successful management conference in years,
at the Allerton Hotel in Chicago,” says Peters. “My goal for next year is to provide our members and manufacturers with the most up-to-date information from Washington and the medical device community, best practices on how to improve manufacturer/rep relationships, and better networking opportunities. Our goal is for our manufacturer partners and rep members to prosper in the year 2010.”

HIRA sessions
As in years past, the HIRA conference featured a variety of speakers and educational topics.

Richard Wade, senior vice president for communications, American Hospital Association, spoke about the prospects for healthcare reform. Overall, Wade pointed to ambivalence on the part of Americans about how reform should be carried out. That said, recent polls have indicated that a majority believe some kind of reform is needed. Issues “in the mix” at the time of the conference included liability reform, the role of information technology, the tax-exempt status of nonprofit institutions, value-based purchasing and comparative effectiveness research. Hospitals themselves face an uncertain future, pointed out Wade. An aging population, many with chronic conditions, more adults without family support systems, and more people without conventional insurance could place huge burdens on hospitals.

James Barker, vice president, global supplier operations, medical supply chain, Cardinal Health, gave HIRA members a “global sourcing update.” He began by offering an overview of Cardinal, a $91 billion global healthcare manufacturer and distributor. He also pledged that Cardinal would enlist customers to join it in its “relentless chase for zero” – zero medication errors, healthcare-associated infections, supply gaps, lost revenue and productivity gaps.

Other sessions included:
• Vendor credentialing update, moderated by HIRA Past President Tom Pruitt. Panelists were Shawn Walker, past president of IMDA; Frank Krimowski, Karras Medical; and Peter Sheehan, vice president of business development for vendor-credentialing firm REPtrax.
• Debunking Medicare Myths: The role of home medical equipment in healthcare reform, by Tyler Wilson, president, American Association for Homecare.
• Smart Ways to Work with Manufacturers, by Charlie Higgins, executive director, Healthcare Manufacturers Management Council.

HIRA also introduced its new, interactive Web site (www.hira.org) at the meeting. 