

Visit to Netherlands & Belgium

6th - 9th January 2009

Ryan Swaine
International Sales

Companies Visited

Netherlands

- MTT
- ComCare

Belgium

- Medical Essentials
- Lameris

MTT

Contact: Paul Felder – CEO

A small family run company, consisting of 4 people, they are hoping to increase to 7 in the future. Very customer service orientated, they operate a 24-hour help line and same day delivery service for many products. They carry a small quantity of stock on all products, including some of the more expensive items.

Current product range includes: neonatal ventilators, CPAP machines & cardiac monitors

Paul Felder is the driving force behind the sales, he spends between 3 - 4 days per week visiting customers and the rest of his time in the office. They are in the process of finding an engineer/ sales person.

MTT spends approximately €60,000 per year on exhibiting at local congresses, executing regular mailshots/newsletters and place regular advertisements in local medical journals.

After our meeting, I felt very optimistic about our future business together. MTT is a very proactive company, which does not rely on sales coming to them. They are looking for ways to expand and I feel our meeting has opened some good opportunities for Viamed.

Paul has asked for quotations for samples for our VM2160, VM2105 and Microstim DB3.

ComCare

Contact: Marc Verkooijen – Account Manager

ComCare has been through a complete restructure, the original owner; Mr. Jan Vellinga has sold the company to Mr. Leo Walsma and since then the son of the original owner, Mr. Wyb Vellinga, has been fired. Shortly after this transaction, Air Liquide has purchased ComCare, but Leo Walsma has maintained his position as the CEO. Marc Verkooijen has taken over Wyb Vellinga's role as our contact.

ComCare has approximately 60 employees, mainly consisting of field engineers for the CPAP systems, which they rent out for the homecare market through insurance companies. A large growth in the CPAP market has given ComCare enormous cash flow problems, which has lead to many late payments. Marc informs me that this should be resolved very soon with the capitol injection from Air Liquide.

Marc's main role is to concentrate on products outside of the CPAP market, so the company is not to completely reliant on one product range. I did not get a very good impression from Marc; he does not seem very proactive. He maybe interested in the VM2101 and some of our latest SpO2 sensors, but I do not believe he is going to support the Viamed range. He is currently dealing with Envitec, but does not feel he is getting a good service from them.

Before we can move forward with ComCare, we need the accounts situation resolving.

Medical Essentials

Contact: Ron Vanstraelen – Managing Director

Medical Essentials appears to have increased in size every time I visit, they now have approximately 9 people. Since Frank Buysen left the company, Ron has employed a graduate for the Belgium market, Mr. Koen Heselmans as well as a husband and wife team that work on commission, for the Netherlands. I did not get the chance to meet the Dutch couple, but I met with Koen and I had the chance to run through the application of the infant resuscitation cabinet with him.

Ron informs me that they want to continue representing the resuscitation cabinet in Belgium and the Netherlands and that they have been following up various sales leads. My worry is that this may not happen, as the only person that was passionate about this product was Frank Buysen. From our meeting, I realize that I am going to have to continually pursue the cabinet sales with Medical Essentials and we may have to identify an alternative distributor in the future.

A large part of our business with Medical Essentials is with the EyeMax, which stems from an earlier visit and correspondence with Paul Heus. Unfortunately Ron let it slip that they have approached Maxtec directly and that Maxtec is willing to supply them, but at a higher price. This would indicate that we will lose orders if Viamed has to increase its pricing over and above the standard Maxtec distributor prices.

Lameris

Contact: Patrick Celis – MD

I visited Lameris a few years ago and was left thinking that we needed to identify an alternative distributor, as I had some disagreements with the sales manager, Bart Huys. Recently, Bart has left and Patrick Celis has taken back control and vows to straighten out some of the communication problems that we have experienced in the past. I was introduced to the new sales manager, Mr. Walter Van Der Eycken and I firmly believe that they both have a different view to their suppliers than what I have experienced from Lameris before.

I am very optimistic that we can increase our business together, as they were very excited at seeing some of our new product developments.

I have promised to give them some time to investigate the market and make a decision on which products they would like to represent.

Summary

From this trip, I feel that I now have a clearer understanding of where we can increase our business in both the Netherlands and Belgium and I have a greater understanding of where we need to monitor our business carefully and perhaps change our current route.