

CHALLENGE

How does a longtime Novation-contracted supplier make the most of its group purchasing organization relationship to rapidly increase market share?

SOLUTION

Skytron® has been a Novation supplier for more than a decade. "Novation is, without a doubt, Skytron's number one GPO partner and has been for a number of years," says Mike Breslin, Skytron's director of corporate accounts.

In early 2008, Skytron found a way to take its commitment of "customer service first, everything else will follow" to a new level. By participating in a Novation national group buy, Skytron found the perfect avenue to introduce its new LED operating room lights to the Novation marketplace while also exceeding customer expectations. Also included in the group buy were O.R. tables, accessories, columns and booms.

RESULTS

The group buy, which saved participants more than \$1 million, exceeded Skytron's projected sales by 26.5 percent. "As a result, we experienced about a 50 percent increase over what our normal business would have been during that quarter," says Breslin. "The increased market share was substantial for us."

The group buy was also an incredibly positive experience for Skytron's exclusive distributors. "I received a landslide of compliments from our distributors about the Novation group buy — which means that they also received a great amount of business as a result," says Breslin.

VHA, UHC and Provista member organizations saved more than \$1 million through the group buy. "There's no question in my mind that our group buy participation helped further our relationships with Novation hospitals," says Breslin.

Breslin has only positive things to say about Novation's staff. "They were able to identify, in a very quantitative fashion, what the prospective group buy market looked like in terms of revenue potential and it proved very accurate," he says. "And my employees said it was the smoothest management of a group buy that we've ever participated in, so my hat is off to the Novation staff."

"The positive aspects of the group buy are just the latest manifestation of the value of our Novation partnership," Breslin continues. "If this group buy is an illustration of where Novation is at in its formation, launch and management of a group buy, then there are definitely more group buys in our future."



SUPPLIER PROFILE Skytron®

Headquarters:
Grand Rapids, Mich.

Year Established:
1972

Program Participation:
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—Mike Breslin, Skytron