

# FINDING THE RIGHT PRODUCTS

## for the

# RIGHT CUSTOMERS

By G. PATRICK KELLEY, REPOSITORY BUSINESS EDITOR; Reprinted from the Monday, February 20, 2006 edition of *The Repository*, Canton, Ohio

CANTON, OH – DiaMed has been growing ever since its two owners started it as a home based business in 1994.

DiaMed, at 3670 Progress St. NE, distributes medical equipment and supplies to physicians and hospitals for patient care and inventory management. Its home medical division carries oxygen, respiratory, mobility and home medical equipment.

In 1995, the business added an employee and moved to an office in North Canton with sales of \$500,000. In 1997, the company bought a building in Lake Township, added five employees and had sales of \$2.7 million, and by 2001 needed another 5,000 square feet of space for its 35 employees and sales of \$6.1 million.

Two years ago, the company bought its present space in Canton. It now has more than 45 employees, and last year, sales increased \$1.8 million to \$10.3 million.



**DiaMed's customer showroom carries everything from diabetic socks to wheelchairs and the scooters that company President Scott Wakser sits on. Wakser and Vice President Douglas Sharpe started the company in 1994 and it hasn't stopped growing.** Photo by DAVID DISTELHORST

### Software Update

And it's looking to expand on property next to the building. It's also spending about \$500,000 to upgrade its computer systems with software that will improve warehouse operations, purchasing, accounts payable and receivables and marketing, along with incorporating a new Web site and online ordering system, said President Scott Wakser.

Wakser, who founded the business with Vice President Douglas Sharpe, said the company's two product lines are geared toward making it easier for physicians and patients to obtain the supplies and equipment they need.

"We don't pretend to be all things to all people," but DiaMed represents 700 manufacturers with more than 6,700 products available, Wakser said.

### Different Products, Supplies

The company began by supplying medical equipment for physicians, and over the next several years, added different products and supplies for the professional line. In 1998, DiaMed added what the industry calls "durable medical equipment" and started a division to service the consumer market.

The home-supply business doubled in two years. Wakser said the physician supply side is still about 70 percent of the business, with patient supplies the other 30 percent.

Both divisions are still growing very quickly, but the marketplace is putting the focus on the consumer side, Wakser said.

"The older baby boomers are going to need more in-home care," he said. DiaMed tries to make it easy for patients, many of whom are homebound and some are confined to beds. Many companies specialize in respiratory equipment, or diabetic supplies or others.

But many patients need a range of equipment and supplies, especially if they have a progressive condition. By carrying products across all medical lines (except controlled drugs) DiaMed simplifies things for patients.

*“It’s not about health care anymore,  
it’s about quality of life.”*

*Scott Wakser, President*

**DiaMed**  
*The Company That Cares.*

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The same is true for physicians, who have to order from a number of suppliers. DiaMed’s product line cuts down on that, and often patients or physicians only have to deal with one supply bill each month.

Many of the products are designed for mobility, like portable oxygen supplies and scooters or wheelchairs. Wakser said being mobile not only increases a patient’s quality of life, but studies show that it’s likely to increase the length of their life.

The company carries two lines of portable oxygen: one, with oxygen as a gas, is heavier and lasts from four to six hours, while smaller, lighter liquid oxygen units can last up to 22 hours. “We try to find the right products for the right customers,” said regional sales consultant Patti Joliat.

New rules for Medicare have made that more difficult. Most patients who are on oxygen are on it for life, but since Jan. 1, Medicare funding is cut off after three years. Although patients will own their equipment after that time, there will no longer be funding for maintenance, service and 24-hour emergency service, meaning that expense will be switched to patients who may not be able to afford it, Wakser said.

Competitive bidding for the contracts also might mean that service will be cut in the 36 months that are still covered, he said.

“It’s not about health care anymore, it’s about quality of life,” Wakser said. And to the federal government, “It’s about money.”

The facility also has a showroom where customers can “shop” for many of the company’s products, including oxygen, diabetic supplies and wheelchairs. “We do get quite a few walk-ins,” said Marketing Director Cheryl Warren.

The company also works as a logistical center for the Multiple Sclerosis Society, Wakser said. “We help them manage their inventory and deliver it to patients.”

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## WHAT DIAMED HANDLES

### Respiratory Aids:

- Oxygen Concentrators & Conserving Devices
- Portable & Liquid Oxygen Systems
- CPAP/BiPAP & Supplies
- Medications
- Nebulizers
- Humidifiers
- Tracheostomy Supplies

### Bathroom Safety Supplies & Equipment

### Daily Living Aids

### Diabetic Supplies & Shoes

### Enteral Nutrition

### Hospital Beds, Therapeutic Sleep Systems & Mattresses

### Incontinence Supplies

### Mobility Aids:

- Lightweight, Power, Custom & Sport Wheelchairs
- 3 and 4 Wheeled Scooters
- Ramps
- Lifts and Carriers
- Cushions

### Occupational & Physical Therapy Devices

### Orthopaedic Products & Supplies

### Ostomy Supplies

### Urologicals

### Wound and Skin Care