

# Medical supply firm gets disposable shot in the arm

By LYNN ORR

When a surgeon walks out of the operating room, chances are the gown and gloves he or she wore are dropped into the wastebasket.

And the nurse in the recovery room may pop a tape into your mouth, remove it in 30 seconds to check the dotted reading, and toss the disposable thermometer away.

The trend to disposable items is the biggest change in the medical supplies field, the fastest growing industry in the U.S., according to John Seely, division manager of General Medical Corp.

As the second largest medical supply company in the nation, General Medical recently opened a branch at 3700 Plymouth, Livonia, one of more than 60 across the country and the first in Michigan.

Other branches probably will be opened shortly since we've moved away from the regional concept," Seely noted.

ALTHOUGH GENERAL MEDICAL is new to Michigan, most of the between 30-40 employees are familiar faces in the company's structure. Formerly G.A. Ingram Company, after a series of conglomerate changes including ownership by Litton Industries and SENCOR, the business recently was purchased by General Medical.

"It's really great to be with a company which is 100 per cent in the medical supply field once again," said Seely.

A Detroit-area resident who graduated from Southwestern High School and Albion College, Seely started his career as a hospital salesman with a division of Johnson and Johnson after World War II.

"I was interested in health care, and it was a growing industry," he explained.

He's worked as an equipment specialist, sales manager, regional manager, to his present position as division manager, a background he believes is mandatory to effectively manage a technical business.

He joined Ingram in 1961, when his previous employer wanted him to transfer.

"Rather than move to the west coast, I went with my largest distributor," he said.

"Salesman John Dornan has been in the hospital field for 32 years. "I'm the granddaddy here," he said laughingly.

His son, David, also is in hospital sales in Grand Rapids.

Dornan enjoys the work, and like 95 per cent of the salesmen in the field, his salary is based entirely on sales commission.

"The average medical salesman nationally earns \$20,400," Seely added. His sales staff boasts two women, which would have been very unusual even 10 years ago, he said.

Salespeople are almost on 24-hour call, since the business demands that a hospital be supplied immediately for certain items.

"If a hospital runs out of a supply, like a blood fraction material, they get hold of a salesman who makes sure they get the supply," said Seely.

Livonian Dainis Rudzitis left his native Latvia in 1944 and began his first professional job in the U.S. with Ingram after answering a newspaper ad. He's been with the company ever since, now as operations manager, celebrating his 25th anniversary.

TEN-YEAR EMPLOYEE shipping supervisor Jim Smith demonstrated his other vocation by providing the music for General Medical's recent open house to introduce the company to the community.

More than \$2 million has been invested in the Livonia branch to produce the expected \$10-15 million in sales in a few years.

"We'll be very pleased to break even the first year," said Seely, explaining that the medical supplies industry works on about an eight per cent profit on gross sales.

General Medical is the middleman between manufacturers and hospitals and doctor's offices.

"Manufacturers don't have the manpower to sell to individual buyers, and likewise, a hospital doesn't have the time or a large enough purchasing office to see every manufacturing item," Seely explained.

General Medical handles about 20,000 items, from hospital beds office furniture, nurses caps, and soap to solutions for intravenous feeding, "everything but drugs," said Seely.

The company manufactures only about six per cent of its sale items, mostly commodity items like detergent or alcohol prep, where a hospital hasn't a specific preference.

The trend to disposables creates greater volume for a medical supply company, but also it creates problems, said Seely.

"You need a tremendous amount of storage for disposable items, and you need to carry different sizes and different styles," lamented Seely, who would like to see some sort of standardization.

Double inventory is the direct result of the assortment of styles the company must stock, said Seely.

"There are six or seven kinds of surgical gloves and syringes, for ex-

ample, which requires a lot of storage space.

"Another problem involves the rotation of stock," he added. "Sterilized items only are good for certain lengths of time," he said.

Other items, like intravenous solutions require refrigeration.

Bandages come in a variety of styles, including non-allergenic and waterproof backing, for example.

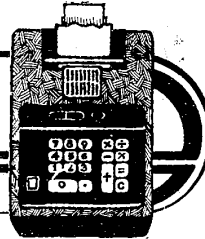
The biggest problem for the industry is collecting from customers, according to Seely, who explained that prompt collection of accounts receivable is a major factor in determining the success of this type of business.

For Frank Wilcox, an 11-year employee, keeping prices current and

## business

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coordinating bids with salesmen is a big job. Wilcox was the last polio victim treated at Ford Hospital, but being confined to a wheelchair hasn't affected his ability to update prices.

It's his job to see that manufacturers' prices are current. Some manufacturers give price protection for from three to six months, but other

manufacturers won't guarantee prices for a week.

One problem General Medical has eliminated is vandalism, according to Seely.

"Since we've moved to Livonia, we haven't had any problem with vandalism," he said.

The previous building on Woodward

in Detroit burned down two years ago, and the company only has had a temporary location until completion of the Livonia building.

Future plans include a retail outlet, where local customers can purchase such items as hospital beds, crutches and other equipment needed for home use.



A mannequin used for resuscitation demonstrations is stretched out for General Medical Corp. open house visitors. (Staff photos by Art Emanuel)

## Underwriter keeps tabs on tax reform

Vincent G. Mercer of Farmington Hills will attend a week-long program of advanced study in business and personal financial planning at the 108th Chartered Life Underwriter's Institute, University of Arizona, Tucson.

Mercer is one of 200 CLUs who are registered to attend two institutes to be conducted this winter on university campuses for members of the American Society of Chartered Life Underwriters.

Mercer is involved in the development of specialized financial planning services at Macabees Mutual Life Insurance Co. He works with individuals and business clients of the company's national sales organization. He contributes to the planning, implementing and promotion of new products, sales and merchandising aids.

He is involved in manpower development and sales and convention programs at the company.

Mercer is a graduate of the University of Detroit Law School. He received a masters of business administration at Wayne State University.

HE IS AN active member of the National Association of Advanced Life Underwriters and the Association of Advanced Underwriters.

He is a charter member of the International Association of Financial Planners.

**Airline names sales manager**

John Pinchen of Farmington Hills was recently appointed Detroit district sales manager for Air New Zealand.

Pinchen will oversee all sales activities in Michigan, Indiana, Ohio, Kentucky and Tennessee.

He joined the firm in 1969 as a Honolulu sales representative and was promoted to district sales manager. He kept that post for more than three years.

He became New York district sales manager and stayed at that job for three years.

He worked for nine years in reservations for British Airways before joining Air New Zealand.

A native of England, Pinchen and his wife, Joan, have an eight-year-old son, Andrew.

Before coming to Farmington Hills, Mercer and his wife, Mary Lou, lived in the Chicago area.

He was an investment advisor in his own firm in Chicago and managed the American Medical Association's members' retirement plan.

The CLU seminars are graduate level courses which cover such subjects as estate planning, economics, communications, qualified retirement planning, business insurance, deferred compensation and employee stock options.

This year's seminar will include discussions of the income, estate and gift tax changes resulting from the Tax Reform Act of 1976.

The Institutes are conducted by the American Society of Chartered Life Underwriters, a professional society for men and women who have CLU designation. The society has 21,000 members and 217 chapters throughout the United States. Its national headquarters are in Bryn Mawr, Pa.

The CLU standing is granted by the American College to persons who have passed a series of professional examinations.

THEY MUST MEET stringent experience and ethical guidelines before admittance. More than 32,000 persons in the United States have been awarded the CLU standing since the American College was founded in 1927.



JOHN PINCHEN



John Seely of General Medical Corp. watches a cardio-exercise treadmill at the new Livonia building.



Lissa Gladstone, General Medical Corp. sales representative, tries on a leg cast during the firm's recent open house.

## WWJ programs managerial changes

WWJ-TV announced the promotions of three area men, recently, according to Evening News Association Broadcast Division vice-president Peter King.

Jack B. Allen of Birmingham; Frank Sisson of Farmington Hills; and E. Lee Leicinger of Bloomfield Hills, received promotions.

Sisson was appointed administrative manager of the broadcast division of the WWJ stations.

He had been an administrative manager before the promotion.

Sisson spent 14 years at WOOD, Grand Rapids. He worked as an announcer, program director, account executive and sales manager.

He was a station manager of WWJ radio before becoming television station manager. He joined the station in 1961.

Sisson is a past president of the Michigan Association of Broadcasters. He is incoming second vice-president of the Detroit Rotary.

He is active in several other organizations as well. He is a member of the Adcraft Club of Detroit, the Economic Club of Detroit and the Detroit Athletic Club.

Sisson and his wife, Virginia have six children.

Sisson's colleague at WWJ Jack B. Allen, received a promotion, too.

ALLEN was station manager of WWJ-TV. His promotion moves him up to general manager of the television station.

His recent position in television is keeping step with Allen's 18 years of experience in the field.

He is a graduate of Loyola University, Chicago. His first job after gradu-

ation was at the city's WKBK-TV, which is now known as WLS-TV.

In Chicago, he worked his way to stage manager and eventually became an associate director at the station.

In 1969, he switched television stations, jobs and cities.

He joined WXYZ, Detroit, as a sales manager, that year. A year later, he was promoted to general sales manager of the station.

He remained that post until he moved to Channel 4, last May.

Another promotion at the station occurred when E. Lee Leicinger became general manager of WWJ-AM-FM. He was station manager before the promotion.

Leicinger is a graduate of Michigan State University. His tenure at WWJ-AM-FM dates back to last May, but

his broadcasting experience began in 1962.

At that time, he was an account executive for WJEF-AM-FM in Grand Rapids.

He moved to several radio stations in Michigan throughout the years before coming to WWJ.

He had sales and managerial positions at these stations. He worked for the CBS Radio Network, as well.

In May 1972, Leicinger moved to Chicago as national sales manager for CBS-WBBM-AM. He became general sales manager in June 1973.

The following year, he joined WWJ. He and his wife, Gayle, have two children.