



SPECIALTY & HOME INFUSION CASE STUDY

BUSINESS

This Company is a home infusion and specialty pharmacy that provides prescription management services and partners with hospitals, specialty practices, and clinics to deliver comprehensive and personalized services. Highly regarded in the industry, employees sought out employment as it provided a great work environment within a rapidly growing organization. Combined, the business improved patient outcomes as well as their partners' clinical, operational, and financial well-being.

TRANSACTION

The owners of this independent pharmacy sought an equity partner to provide additional capital, resources, and opportunities to bolster the financial position of the company and continue growth. Harbor Healthcare, through its well-executed marketing strategy aligned the pharmacy with a well-equipped acquirer: Diplomat [Pharmacy Services, Inc].

CHALLENGES

This rapidly growing pharmacy consistently experienced balance sheet and income statement pressure as a result of their growth. They also sought to mitigate DIR fees and improve narrowing profit margins. After many discussions with the professionals at Harbor Healthcare, they decided to first, grow the business into the home infusion space market and supplement their core specialty offering. They had been approached by private equity and strategic buyers regarding an exit, however, once they engaged in these conversations, they quickly realized they were not equipped, nor informed, to successfully



navigate the complex process of taking on an equity partner. They wanted to identify a partner that offered more than simply capital. They wanted access to new markets, customers, contracts and a reduction in cost of goods sold. They also lacked the time and expertise to allocate to interviews with myriad financial sponsors. Whether paying the bills or funding growth they sought the stability and security of knowing they could focus on growing the business without being hamstrung by other factors.

SOLUTION

Within a few weeks of engagement, the Harbor team had drafted a CIM and began fielding questions from potential partners. After reviewing several offers, the owners, with input from Harbor Healthcare, began the important task of reviewing the best go-forward partner that best aligned with their goals of obtaining the highest valuation and the most opportunity for growth. Harbor guided the Company through many difficult negotiations and the owners ended up with an attractive package combining the best structure, valuation and terms.

Today, the Company continues to thrive. The owners were able to maintain workplace autonomy while gaining access to resources and new markets. Partnering with Diplomat enhanced the delivery of comprehensive and personalized services to patients. As well as improved patient results and the clinical, operational, and financial well-being of their partners/providers. Diplomat furthered the owner's entrepreneurial vision, enabling them to deliver integrated health care services to new and existing consumers while advancing their strong clinical expertise.

Most importantly they no longer worry about financing the growth of the business.

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