

Dallas investment firm backs Holdaway Medical's growth plan

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Progress Equity Partners Ltd., a Dallas-based private-equity firm, is investing more money in Holdaway Medical Services LLC to help the Louisville-based company grow within the region.

Progress Equity purchased a controlling stake in the company in December 2006. Holdaway Medical Services, which also has operations in Indiana and Tennessee, provides products and services primarily in respiratory therapy and home medical equipment.

Gayle Devin, president and CEO of Holdaway Medical Services, declined to disclose the amount of Progress Equity's recent investment.

But she said the company intends to increase its operations in markets that include Louisville, Bardstown, Knoxville, Tenn., and Columbus, Ind.

Holdaway then plans to expand its geographic reach, she said, into Indianapolis, Elizabethtown and Lexington.

Company expanding sales force

Rose Pasqualini, Holdaway's vice president of sales, said the company has taken steps to further penetrate in established markets. Since February, Holdaway has increased its sales force in Louisville to nine from six, she said.

The goal for 2009, Pasqualini said, is to open offices and to add a total of three to four sales representatives in Elizabethtown and Indianapolis. The company expects to

open a Lexington office in 2010.

Holdaway also has taken other measures to improve its level of service and position itself for growth.

Last October, Holdaway relocated its headquarters from a nearly 19,000-square-foot building at 11305 Bluegrass Parkway to a newer 25,000-square-foot facility at 2500 Constant Comment Place. Both locations are near the Blankenbaker Parkway-Interstate 64 interchange.

Ralph Manning, a partner with Progress Equity and a Holdaway board member, said departments were added piecemeal at the old location as the company grew. At the new location, space was configured to create a more efficient "process flow," Manning said.

Improved efficiency extends beyond the

HOLDAWAY MEDICAL SERVICES LLC

Type of company: Distributor of medical equipment to private homes, assisted-living centers, rehabilitation centers and skilled-nursing facilities

Address: 2500 Constant Comment Place

Top officials: Gayle Devin, CEO; Dean Huff, CFO

Employees: About 100 (about 75 in Louisville)

Web site: www.holdawaymedical.com |

building as Holdaway recently equipped its fleet of delivery vans with global positioning systems to better track orders.

Market ripe for medical equipment

The goal of the expansion effort, Manning said, is to turn a "strong local business into a strong regional business."

Demographic factors, such as the aging baby boomers, are contributing to a ripening market for health care products and services, he added.

Also, Manning said, building the company's client base is a means of safeguarding against a potential revenue drop that could occur if there are cuts to federally backed health plans, such as Medicare.

"It is a concern of ours," he said. "We feel like we need to just be prepared." |

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