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Texas investment firm buys Holdaway Medical, hires CEO

Business First of Louisville - March 9, 2007 by [Ed Green](#) Business First Staff Writer

Holdaway Medical Services Inc. is gearing up for growth with a new owner and CEO to take the regional medical supplier "to the next level," according to John R. Bohn Jr., the former owner of the company.

Progress Equity Partners Ltd., a Dallas-based private-equity investment firm, purchased a controlling share of the company in December from Bohn, his partner, Robert Black, and a small group of other investors.

Bohn, who continues to serve as president, and Black, executive vice president of sales, continue to own stakes in Holdaway, but Progress owns the majority share of the company, Bohn said. He declined to disclose the sale price for the company or what share of the company he and his partners retained.

The owners decided to seek a buyer for the growing company because Bohn "wanted to be a little less involved, but I wanted to be part of it and watch it grow," he said.

The owners wanted a strong financial backer to help the company move into new markets and to help recruit a CEO. They hired Paragon Ventures, a Philadelphia firm that focuses on mergers and acquisitions in the health care industry, to serve as an adviser and help identify a buyer.

Since the sale, Progress Equity has helped recruit Gayle Devin, an executive from Chicago, to take over as CEO of the company. Devin has 25 years of industry experience.

Expansion plans

Holdaway has about 100 employees in Kentucky, Indiana and Tennessee who sell and distribute medical products to long-term care facilities, home-health care agencies and individuals in their homes.

The company sells and leases products such as oxygen and other breathing machines, medical beds, wheelchairs and infusion products and services to administer medical and nutritional supplements.

Officials declined to disclose the company's annual revenue but acknowledged it is millions of dollars and growing.

One of Devin's first orders of business will be to look to expand in the company's current markets. That is a costly process, she said, because it requires investing in marketing to physicians and health care facilities that prescribe medical products, costly inventory, and storage facilities.

Holdaway also will concentrate marketing efforts on consumer education. Officials want to help customers better understand Holdaway's products and to inform them that they may choose an equipment supplier rather than rely on a referral from a health care provider.



Photo by Ron Bath
David Turner, a technician at Holdaway Medical Services Inc., disassembles a wheelchair.

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New facility might be needed

Some of the investment will be funded by Progress Equity Partners, Devin said, adding that officials with the firm also are helping to identify opportunities for growth.

Progress officials could not be reached for comment prior to Business First's deadline.

The company's growth might lead to a relocation, Bohn said, as it soon might outgrow its 19,000-square-foot building at 11305 Bluegrass Parkway.

Holdaway's revenue has grown between 500 percent and 600 percent in the last 10 years, and employment has more than tripled to about 65, he said. "We are out of space and out of parking here for all these employees."

Holdaway Medical Services Inc.

Business: Distributor of equipment and other supplies for the home-health care and long-term care industries

Headquarters: 11305 Bluegrass Parkway

Other facilities: Bardstown, Elkton and Crab Orchard, Ky.; Columbus, Ind.; Memphis and Knoxville, Tenn.

Areas served: Kentucky, Indiana and Tennessee

Employees: About 100, including about 65 in Louisville

Web site: www.holdawaymedical.com

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