

Wiggins Medical is selling Neurosurgical and Spine Instruments into a Global Market, Sourcing 100% German Stainless Steel and Manufacturing in Germany, with their Proprietary Ceramic Coating warrantied to Not Chip, Fade or Peel



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Interview conducted by:
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CEOCFO: Mr. Ebner, what is Wiggins Medical?

Mr. Ebner: We sell neurosurgical and spine instruments. We make, manufacture and sell across the world.

CEOCFO: What is involved in manufacturing medical instruments?

Mr. Ebner: It is knowing what sizes, styles and everything that the customers want and in what quantities. Then it is being able to forecast out far enough so that there is sufficient inventory when they place orders.

CEOCFO: Is there much change year to year in material and manufacturing process in what the surgeons might want?

Mr. Ebner: There is no change other than slight modifications. It is pretty much the same.

CEOCFO: What is it about a Wiggins instrument that would make a surgeon want it?

Mr. Ebner: It works really well.

CEOCFO: Why?

Mr. Ebner: It is the way they are made, the craftsmanship, the quality, the hand finished cutting edges. When a surgeon needs this particular instrument, he needs it to be sharp, ready to go and working well otherwise the case is going to be a struggle so he always has that confidence with our products.

CEOCFO: Are there many products in the marketplace that do not work the way they should? Would you tell me about the overall marketplace for medical instruments?

Mr. Ebner: There are many different types of medical instruments but the space we play in, there are many different types of people who make similar style products but none have the quality that ours do.

CEOCFO: Is there a deliberate strategy to be better or did you recognize the niche if you could create a better product? How did it happen that yours is better than others?

Mr. Ebner: It is our raw materials. We only source 100% German stainless steel. We only manufacture in Germany and we only put our finishing proprietary ceramic coating on our instruments and we only source it from the manufacturer.

CEOCFO: How is the coating better?

Mr. Ebner: Many companies try to recreate a black instrument. Black has obvious advantages over stainless steel primarily to glare, but our ceramic adheres to the metal. It is completely warranted and will not chip, fade or peel and it also helps maintain our cutting edge and keeps it sharper longer.

CEOCFO: *How does a surgeon or hospital decide what to buy? Are some people willing to pay for the quality and if not, why not?*

Mr. Ebner: That is just it and certainly in today's hospital landscape, there are greater and greater pressures on cost reduction. Hospitals are more and more encouraged to buy from places where they get the best cost, however the best cost does not always give you the best value. They find an instrument that is half the price of mine but after three weeks, you have to completely replace it because it is destroyed. Ours will last six to eight years with very little maintenance needed.

CEOCFO: *Do doctors understand Wiggins or is it the buying groups that need to understand?*

Mr. Ebner: It is the surgeons mostly. The hospitals do not really care. They want to keep the surgeon happy but they also want to reduce costs. Ultimately it will come back to the surgeon. He is the one that has to perform the procedure.

CEOCFO: *Are all of your products standard or are you able to make something customized?*

Mr. Ebner: Yes we make several custom items. We work very closely with surgeons that actually develop modifications, changes and even new instruments all together that will help them perform these procedures safer easier and more effectively.

"We make a lot of things here in the states as well, I just find that in Germany, there is much more precision and craft that goes into the devices they make, and in medical, there is really not a lot of room for error."- Alex Ebner

CEOCFO: *What might somebody ask for that you do not have as a standard item?*

Mr. Ebner: It could be any number of things. It could be a different angle. It could be a different width or a shorter foot plate. There is really not a standard answer to that because it is one that evolves with technologies and how the doctors actually perform the procedures.

CEOCFO: *I know Germany has a reputation for quality in manufacturing but you said you only manufacture there. Why?*

Mr. Ebner: There are many companies that will say "Made in Germany" but all they are actually doing is putting the final finish screw on in Germany. They will manufacture it in other parts of the world with other raw materials and then because its final assembly is in Germany, they can slap the "Made in Germany" label on there. It is not to say that other countries do not manufacture well. We make a lot of things here in the states as well, I just find that in Germany, there is much more precision and craft that goes into the devices they make, and in medical, there is really not a lot of room for error.

CEOCFO: *How do stand out at a conference when there are lots of other companies with products to show?*

Mr. Ebner: We certainly try to get the best booth space we can. We promote and advertise. Our sales reps are out in the field, pushing and promoting. We have built a really nice ground swell of support from just people who swear by our instruments, how they work and they will not use anything else. A lot of it is word of mouth or sales rep communication but you can feel the difference when you hold a good instrument and one that has been made with sub-standard techniques.

CEOCFO: *Would that be a doctor that would have to be holding the instrument or someone who is buying for the doctor?*

Mr. Ebner: It can be anyone. You really can feel the difference in a well made instrument.

CEOCFO: *What might be different a year from now for Wiggins Medical?*

Mr. Ebner: We hope to expand our product offerings with other specialties and niche products and continue to grow as we have been doing.

CEOCFO: *Are you primarily selling in the US? What is the geographic range?*

Mr. Ebner: The bulk of our customers are in the US but we do sell and supply globally.

CEOCFO: *Do you see globalization as a big factor for you or is it more the new products?*

Mr. Ebner: International is picking up quite a bit.

CEOCFO: *How do you expect the growth to come?*

Mr. Ebner: Organic growth, internal ideas and processes coming to light, but then also key acquisitions that will put us in better positions.

CEOCFO: *How do you evaluate an acquisition? Is the product everything?*

Mr. Ebner: The product is just about everything but I look at the company's reputation, how they have gotten there, how well the product is protected legally, patents, trademarks and whatever. Then is there market share something we could acquire and grow the business with? Those are our biggest determining factors.

CEOCFO: *Why pay attention to Wiggins Medical? What sets the company apart?*

Mr. Ebner: It is our sticking to what got us there. Many companies will try to reduce costs and make things easier, cheaper and cut corners. We have never done that. We have always stuck with the same plan that has always worked and continues to work. For the foreseeable future, we are on a very good course. There is no reason to rock the boat.

