

HME News

THE BUSINESS NEWSPAPER FOR HOME MEDICAL EQUIPMENT PROVIDERS

Q&A

Pontius folds biz acumen into new M&A role

BY THERESA FLAHERTY Associate Editor

While former HME provider Tim Pontius isn't closing any mega deals yet, he is learning the M&A ropes in his new position at Steven Richards & Associates. In 2005, Pontius sold his Toledo, Ohio-based Young Medical Equipment to Apria with the help of SRA. He recently joined the Tarpon Springs, Fla.-based M&A firm as a managing director where his background helps other providers through the selling process.

HME NEWS: What sent you over the M&A fence?

Tim Pontius: One of the things that I struggled with through the entire (sale of my business) was feeling somewhat isolated in the decision-making process. Selling your business is like a sentinel event in your life. It may not rank up there with getting married, but it helps to talk to someone who's gone through this process.

HME: What skills do you bring to the equation?

Pontius: I think the entrepreneurial ability to start and grow a business helps. Maybe, if a company is not at a point where they are ready to sell but they want to get some perspective and advice about how to get their business to that next level, I think we can help

them with how to grow their business. We can suggest aspects of their business that they may want to trim away, things that may have worked seven or eight years ago but (not now). We can make them not only more profitable but also free up resources so they can work on growing those key product lines that they need to grow.



Tim Pontius

HME: What do providers toying with the idea of selling need to ask themselves?

Pontius: First, ask what sort of personal planning you have in place. What is your family situation? Lay it into a road map before you get to the point of someone coming through the door and making you offers. Second, ask how is it going to affect my employees? Is it going to be good for them? Can I protect key employees? Third, is the company still going to be as service intensive and customer oriented as we are today?

HME: Is HME still a viable market?

Pontius: We are still where health care is going to be delivered in the foreseeable future. There is no real cost effective alternative to home care. The question is, how much more is it going to evolve or mutate and what sort of changes are we going to have to make in our busi-

nesses before we can settle down and have some stability. That's really why I think a lot of folks are holding their breath. Are there going to be any other

“The question is, how much more is (home care) going to evolve or mutate and what sort of changes are we going to have to make before we can settle down and have some stability.”

-Tim Pontius

big changes if and when competitive bidding comes?

HME: You've not only been a businessman, but an industry leader.

Pontius: I think by being involved and remaining involved in leadership, I have a sense of what's happening out there. I can look at (the industry) as unbiased as possible and give (HMEs) third-party advice on what we think is going to happen for the remaining calendar year and over the next 12 to 24 months based upon Capitol Hill. Are there more chaotic changes, more reductions? Sometimes, they just need to know there is light at the end of the tunnel. **HME**