

B. BRAUN MEDICAL (INDIA) PRIVATE LTD.

B | BRAUN
SHARING EXPERTISE

Established in 1839, B. Braun today, is a global business, specialising in medical devices and injectibles for anaesthesia, critical care, diabetes, cardiology and orthopaedic implants, IV solutions and nutritionals. It also offers related consulting services, for instance, to help hospitals to optimise their processes and assure quality, prepare patients and their families for homecare, support functions. B. Braun provides more than 160,000 different products to hospitals, medical practices, pharmacies and care & emergency services.

B. Braun had a turnover of US\$ 3.69 billion in 2005. It has over 50 subsidiaries and 30,000 employees worldwide and ranked 66th in the Forbes list of privately held companies in 2004.

India, a key growth market

B. Braun started its operations in India in 1994 as a joint venture and became a 100 per cent owned company in 2003.

B. Braun entered India as it perceived a large and growing market for its products and services. Though the growth was slow in the initial years, it has improved remarkably since 2003, and has resulted in increased market share. The market has been growing at 12 per cent and B. Braun has clocked nearly 21 per cent annual growth.

The four main operative divisions of B. Braun in India are Hospital Care (infusion solutions, anaesthetics, single use devices and accessories), Aesculap (surgical instruments & equipment, suture material, orthopaedic implants and cardiac consumables), MedTech (product systems and

services for extracorporeal blood treatment - Dialysis) and OPM (Diabetic care, disinfection & hygiene, wound care and enteral nutrition).

The products in India can be broadly classified as under:

- Products and Equipment
(Surgery, Intensive Care, Dialysis)
- Surgical Instruments & Implants
- Sutures
- Single Use Disposables
(Ward, Critical Care & Anesthesia)
- Hospital Pharma Products
(Plasma Volume Replacement,
Anesthetics & Clinical Nutrition)
- Angioplasty stents
- Home care products

Its products are sold through a distribution network and supplied to medical institutions and hospitals. B. Braun India has a state-of-the-art



factory for medical disposables and sutures in Goa, and marketing offices across India.

B. Braun India has over 300 employees at present. Its vision is to make a positive difference in people's lives, fulfilled through activities directed toward stakeholders and wider society.

India plays critical role in the global strategy

Apart from being a large growth market, India is also a manufacturing hub for B. Braun with an additional plant being set up in Chennai. Apart from this, India supports the global operations of the parent company in SAP, where it is assisted by HCL. India also provides marketing support for all the SAARC countries. The Indian operations have turned in profits in all but one year since inception.

Given its significance in B. Braun's global scheme of things, India, along with China, Brazil and Russia, is viewed as critical to the company's global strategy.

Keys to success

B. Braun has integrated well into the Indian market, and leveraged its understanding of the market, as well as its own strengths, to achieve success.

Coming to India at a time when very few companies were interested in India, B. Braun was one of the first to establish a set-up in India.

Marketing agreements & strategic alliances

B. Braun India has leveraged existing capabilities of domestic firms to strengthen its distribution and



marketing network, by entering into strategic agreements and partnerships.

For example, B. Braun has entered into tie-ups for OEM manufacturing with leading Indian companies for sourcing the large and small volume parenterals and certain medical devices. India is likely to become its sourcing hub for Asia. B. Braun ensures global quality for locally sourced products.

Leveraging IT for business integration

B. Braun India has leveraged its IT capabilities, to integrate operations across India, and also with other global operations. The company has integrated its business model linking all its activities such as finance, manufacturing, inventory, procurement, sales and distribution, and is focusing on expanding integration of operations across the enterprise. It plans to go online with all its offices across India and facilitate integration with other platforms and with the Asia Pacific operations in Malaysia.

B. Braun plans to integrate the distribution partners and enhance its information system capability to have real time information for faster decision making.

Consumer education to increase awareness

Its commitment to the healthcare fraternity in terms of "sharing expertise" is demonstrated further through the Aesculap Academy. Designed as a platform for communication in medicine, the Aesculap Academy has dedicated itself to facilitate

interdisciplinary dialogue. Under the aegis of the Aesculap Academy, B. Braun India has successfully conducted several workshops.

Through this platform the company has invested US\$ 0.16 million in a centre for Gynec Endoscopy. It has also set up four centres of Pain Management across India.

The company has been focusing on effective communication and promotional programmes, to educate customers on good hospital practices and increase awareness about B. Braun. The company is also a member of Indian Medical Device Manufacturing Association that lobbies for stricter enforcement.

Corporate Social Responsibility

B. Braun has successfully balanced its corporate and social responsibilities, through several endeavours.

Supporting CRY for the rights of children

B. Braun India assists Child Relief and You (CRY) a non-Government organisation working for the welfare of homeless children in Mumbai.

B. Braun Medical Trust Foundation

B. Braun India has set up B. Braun Medical Trust Foundation and initiated a yearly scholarship for 50 medical students in the second year of post graduation in the fields of anaesthesia, medicine, cardiology, nephrology, orthopaedic surgery, neuro surgery, cardiac surgery, general surgery and gastrointestinal surgery. The scholarship has been recognised by the Minister of State for Health and Family Welfare.

Future plans

India holds a lot of promise for B. Braun, mainly due to its double digit growth plans, and improvement in healthcare facilities. According to company sources, the company plans to double its turnover in the next three years and reach US\$ 50 million by 2010. It is also investing into upgrading its manufacturing facility for the long term.

B. Braun is trying to explore all options including organic growth, new product launches and strategic alliances, to maintain its growth momentum.

Braun India: At a glance

- *For B. Braun, India is: High growth, challenging market, holding a lot of promise*
- *Factors for success: Distribution network, customer education, social responsibility, HR, Systems, Information Technology, Strategic Alliances, Expertise.*
- *Future plans: Double turnover in 4 years, reach US\$ 50 million by 2010.*