



Partnership: It's more important than ever!



SMI 2022 Fall Forum
Scottsdale, Arizona

Please Sign In

Our Panel



Gary Fennessy
Chief Supply Officer



Doug Golwas
EVP Acute Care Sales



Ilya Trakhtenberg
Managing Director



Today's Objectives:

- Share stories from a strategic partnership between Medline and Northwestern
- Group discussion about the key elements of strategic partnership now and going forward

We hope you leave here with a few new ideas on how to build and sustain strategic partnerships.

Northwestern Medicine is an Integrated Academic Health System Where the Patient Comes First

Employing

33,000+ individuals from 85%
of Chicagoland zip codes, 3rd
Largest Private Employer in
Illinois

Educating

1,254 trainees, 41% of new
residents are graduates of a
Top 25 medical school, 26%
members of the AOA

Caring

for 1.2 million patients
from 95% of Chicago zip
codes, all 50 states and
over 102 countries

BETTER

M **Northwestern**
Medicine®



**The only AA+ health system on
US News Honor Roll**



NMH #1

Chicago & Illinois



NMH #9

In the Nation



FSM #17

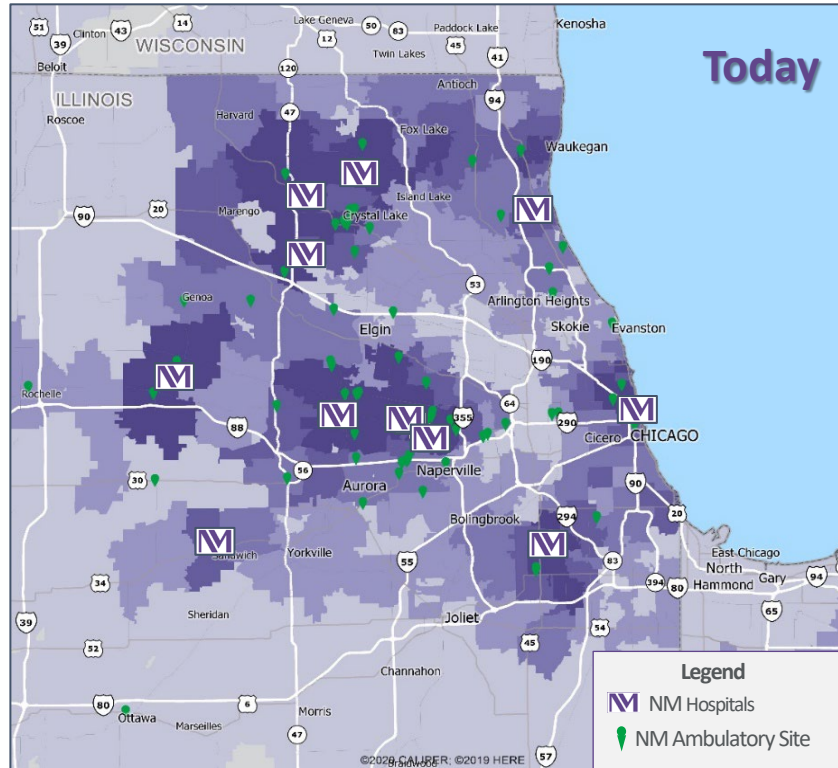
Best Medical School
in the Nation



NU #10

in the Nation

Growing Number of Patients Seek NM Care



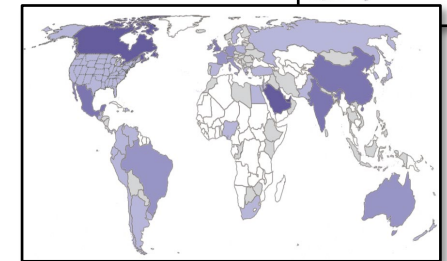
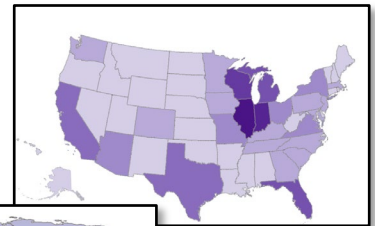
11 Hospitals and over 200 Ambulatory Locations

#1 In The Local Market:

- Consumer Preference in key service lines: Heart, Cancer, OB, Neurology, Ortho
- Provider of Charity Care among IL AMCs, 50% more than the next leading AMC
- Provider of charity care in DuPage, Lake, McHenry, and DeKalb counties
- NIH funded medical school in Chicago & Illinois

Increasing Number of Patients Beyond Illinois:

- 46% increase in patients from outside Illinois*
- 24% increase in International Health patients year-over-year since 2014



*patients discharged from an NM hospital 2012-2019. NM Hospital in 2012 includes NMH and LFH

Who is Medline?

50+

distribution
centers across
North America



\$21 billion
in overall
company sales

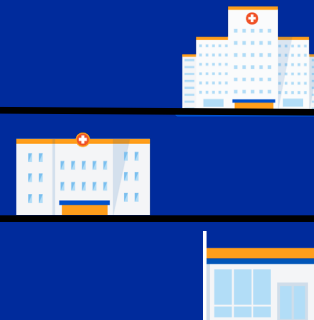


300,000+

products to meet
every need



**Serving
across the
continuum
of care**



**25+
million**

square feet of
warehousing



**Vertically
Integrated
Manufacturing**



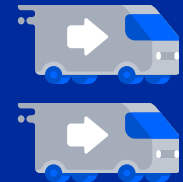
125+

Countries where we
do business



1,500+

MedTrans
Trucks
nationwide



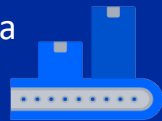
230+

Supply Chain
Optimization
Professionals



20+

Manufacturing
sites across
North America



50+ years

of consecutive
annual growth
in revenue



1,800+

Medline sales
representatives



Next day delivery to

99%

of U.S. customers



*Based on YTD 2022 financial data.

Grayslake Distribution Center

- Largest medical-grade distribution center in the U.S.
- 1.4M square feet
- LEED Certified and solar grid services all classes of trade and all units of measure
- Heavy robotic infrastructure
- Supported by Medtrans fleet of tractors, trailers, straight trucks and parcel vehicles

Medline HQ—21 miles from NW Main
Grayslake—44 miles from NW Main



Our Strategic Partnership

Relationship
started 15 years
ago

Now distribution
prime vendor

Moving into new
and creative
approaches to
partnership



5 Key Success Factors for Strategic Partnership

-
- **Time**
 - **Trust**
 - **Listening/Understanding**
 - **Clarity/Goal Alignment**
 - **Creativity**

1. TIME

- Deciding to make the commitment
- Engaging in ongoing, open dialogue
- Not expecting too much, too soon



Discussion

- **How much time should trading partners devote to building partnerships?**
 - **How has the time requirement changed, if any, post pandemic?**

2. TRUST

- Open and honest
- Sharing good news and bad news





Discussion

- **How did you build trust with your most strategic partners?**

3. Listening/Understanding

- **Communication across all levels of partner organizations**
- **Partners priorities have equal value**
- **Focus on the biggest need in the relationship**
- **Look at total/true cost together**





Discussion

- What do you listen for when you are building a strategic partnership?
 - What do you think is the most important thing to understand about your strategic partner?

4. Clarity/Goal Alignment

- Roles and Responsibilities
- Anticipated outcomes/what problems are we solving together
- Value to each of the partners





Discussion

- **What do you think are the most important things to clearly define in a strategic partnership?**

5. Creativity

- Looking for new answers to old problems
- Prioritizing opportunities together
- Turning lemons into lemonade



The Value of Strategic Partnership

$$1+1=3$$

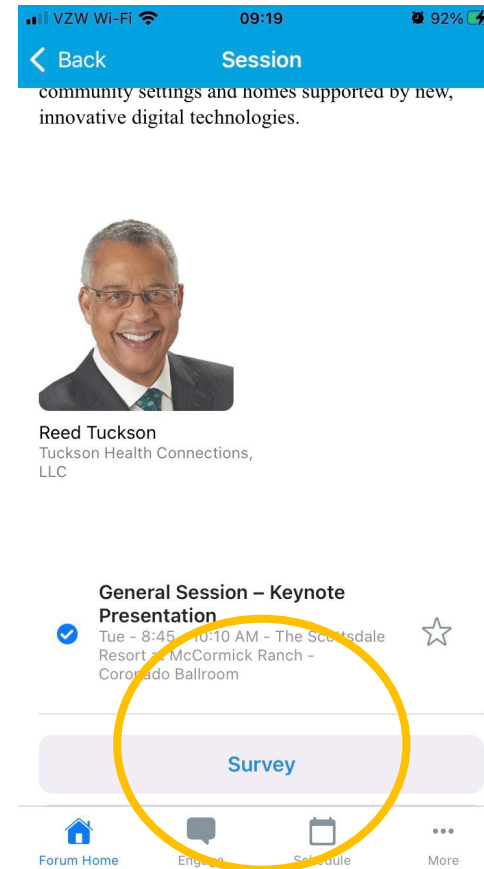
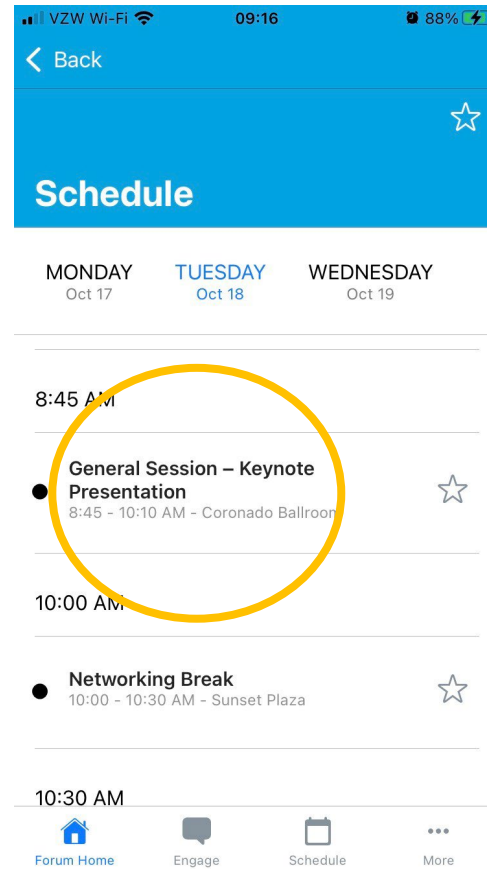
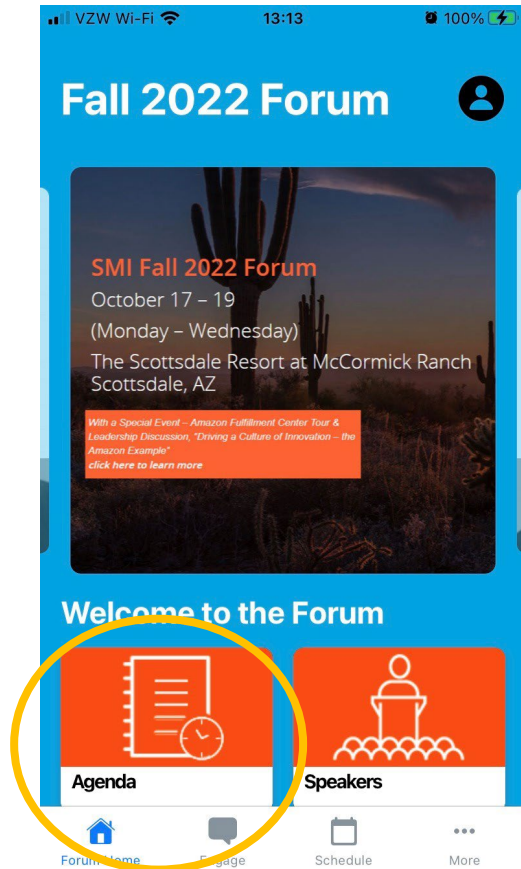
Synergy drives
performance for both
partners over time



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Please Complete your In-App Survey



This screenshot shows the in-app survey form. It features a vertical list of radio button options from 1.5 to 5. The option '5' is selected, indicated by a blue dot. At the bottom, there are two buttons: 'Finish Later' and 'Submit', both of which are circled in yellow.

Thank you for joining us!

Next Up:

- **Please join us at 6 PM for an evening of Mexican food, fun, and networking under the stars.**
- **Please join us for a productive day tomorrow starting with breakfast from 7-8 AM and continuing at 8 AM with our Thought Leadership Council Meetings followed by general sessions.**