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1. Brief

Paragise, based out of Scotland, sources, markets and distributes innovative medical technologies in Asia, and globally through its sister company, CrossBay Medical based in the US. We have a presence in 7 countries and our team has a combined experience of 50 years in healthcare marketing.

Paragise is offering to leverage its experience, network and understanding of the complex Indian environment, and offer medical device brand owners customised primary research to ensure smoother and faster market entry for their innovation.

Paragise has been operating in India since September 2008, and is particularly experienced in women's health, hospital disposables, pain and trauma management and orthopaedics.

More Information

www.paragise.com

www.crossbaymedicalinc.com



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2. Background

India is a fragmented market, with thousands of medical device distributors of different sizes. With the fragmentation, different sales models and strategies emerge and are endorsed as generalised doctrine, depending on which company you speak to. However, most assessments are based on secondary research, untested assumptions or the distributor's gut instinct.

This is why most market entry plans are ad hoc, poorly planned and take the long road to success or failure.

Due to the price premium on innovative medical technology, it is very likely that clinics and hospitals will be the main sales channel to begin with. Not surprisingly, as healthcare professionals can have varied opinions, it is absolutely necessary to ask a reasonable number of end users for their opinion, rather than assume.

Regardless of their differences, most distributors market multiple product lines, and very few specialise in a particular segment. To access the widest possible market, this means most medical device companies will deal with distributors that are

- i. Risk averse: Especially towards breakthrough innovations that need to create a new segment or demand to be successful
- ii. Price sensitive: Innovation is ultimately measured up in dollars and cents, although most distributors will not immediately admit this. They will initially accept the price premium as 'marketable' and 'manageable'
- iii. Resource starved: Sales teams are under constant pressure to grow or maintain their existing portfolio, let alone take on new products. Distributors rarely invest in new sales teams for new products
- iv. Deep, as opposed to lateral knowledge: Salespersons are trained to network within their own product range and build up deep product knowledge for their set of products. This means if the same sales person is allocated a new technology to test market on his own, he would be reluctant to learn or will find it difficult to adjust quickly



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3. Solution

To overcome the problems described earlier, Paragise recommends working closely with selected distributors, and in some cases directly with end users, to generate primary research and feedback.

Apart from the carefully designed research programmes, by involving a local distributor to assist in our research, we enjoy the following advantages.

- i. Paragise acts as the product specialist and trains the sales team on the job, during individual visits with doctors, to gradually build their confidence. This is especially important as meetings typically last less than 5 minutes, with an even shorter attention span. So, the demonstration must be concise, fluent and purposeful.
- ii. Distributors are more willing to commit their sales teams for a few weeks if they have a dedicated product specialist to assist and train them.
- iii. Apart from our own database of doctors and specialists, we get preferred access if we make appointments with the distributor's calling card, especially in cases where the distributor already has a sales account with the clinic or hospital.
- iv. Although the system of appointments (and honouring them if you have one) is virtually non-existent in India, sales persons tend to focus on a few hospitals and build relationships with key gatekeepers, secretaries etc to ensure more often than not, we manage to demonstrate the technology and conduct our research even if the doctor is very busy.

Focusing on primary research, and directly addressing issues like perceived value, price sensitivity etc. with the actual end users of the technology, Paragise is able to recommend the most credible strategy for market entry. With this credibility, and hopefully some sales during the research exercise itself, the distributor is then more confident placing the initial order, and generating forecasts for the first year.



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4. Our Focus

- Healthcare
- Innovative medical devices. We do not cover pharmaceuticals
- Mainly primary healthcare providers, followed by specialists and then consumers
- Metros like Mumbai, Delhi, Chennai, Hyderabad, Bangalore, Calcutta since most of the key opinion leaders practise here, and from a sales volume perspective, the large cities are the best places to start

5. Approach

Paragise & CrossBay will conduct a top-level assessment to shortlist technologies that pass our internal innovation criteria. We then propose to the brand owner that further primary research in India is required.

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|---|-------------------------|
| A. Define Technology Offering.
Prior experience in India
Features, Benefits, IP Value, Competitive Positioning, Current Markets
Pricing systems, Sales models: fixed, variable or flexible?
Brand Owner Objectives | Timescale: 5 days |
| B. Outline Market and Audience In India.
Secondary research on size, characteristics, competition
Brainstorm possible sales and marketing models
Shortlist research audience
Shortlist distributors from Paragise panel
Confirm distributor involvement and research dates | Timescale: 5 days |
| C. Design Research Programme, Objectives and Deliverables.
E.g. - Test assumptions, Perceived value, Price sensitivity,
Generate new insights
Submit research proposal for approval including number of interviews | Timescale: 2 days |
| D. Research Exercise.
Individual visits
Participation in Continuous Medical Education (CME) sessions
Participation in events, conferences if applicable | Timescale: 7 to 14 days |
| E. Analysis and Report. | Timescale: 3 days |

Total timeframe from agreement to report: 3 to 4 weeks



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6. Features

- When designing each research exercise, we ensure our research audience and questionnaire passes 3 important criteria. They are
 - i. *Representative* of wider market. This is why we focus on the large metro cities where majority of the all India medical associations are based.
 - ii. *Targeted*. Our prior groundwork in understanding the existing market through secondary research and dialogue with key opinion leaders helps us zero in on the most appropriate target group, even to the sub specialty level, if necessary. For example, within gynaecologists, do we want to focus on those who actively practise IVF?
 - iii. *Opinionated*. Our questions are designed to probe, and solicit honest opinion on the technology and purchasing behaviour. We ask the same questions in different ways.

- We go to great lengths to be fully prepared with all the relevant and up to date marketing, clinical, technical material, organised neatly and professionally for our audience.

- Our reporting is clear, concise and truthful. We rather write a 5 page report with deep and useful insights that are based on facts, than 50 pages based on assumptions, and incomplete questionnaires.

- As part of the deliverables, we hand over all questionnaires, databases, contacts, leads and other material gained or generated during the research exercise.

- Each principal will only work on 1 project at a time to ensure complete focus, dedication and quality.

- Our price includes all travel, accommodation and regular material costs, with no hidden charges. If we participate in events, conference and CME sessions where a fee is involved, we will inform you in advance, and these will be charged separately at cost.



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7. Team

Principals:

Parag Agarwal, Mumbai

Parag is a graduate of the University of Strathclyde in Glasgow, UK. He is the founding director of Paragise, setup in 2007 in Scotland to assist and develop the commercial potential of university intellectual properties. In 2009, the company added a private equity investor to its board of directors, and Parag moved to Asia (Mumbai and Singapore) to market innovative Scottish healthcare technologies in India and Southeast Asia. Their first product is Breastlight, a tool to detect breast cancer at home using advanced LED technology.

Aloke Thakore, Mumbai and Calcutta

Independent journalist, consultant, columnist, researcher and teacher. He has trained journalists at India's major news organizations, launched a newspaper in the UAE, taught at universities in India and abroad. A multilingual researcher, Aloke has travelled extensively across the country and has consulted with companies from entertainment to mining. He has a varied background having formally studied subjects ranging from sociolinguistics to global marketing, and social theories to media management. Research has taken him to different parts of the country, and he has interacted with respondents across all social strata. He has also conducted workshops on research methods and is presently engaged in doing social marketing research in the field of health. A Media Leadership Fellow of the Poynter Institute for Media Studies, Salzburg Seminar Fellow, 21st Century Trust Fellow and a Socrates Seminar Fellow at the Aspen Institute, he holds a Ph.D. (Mass Communication) University of Wisconsin- Madison; AM (International Relations) University of Chicago; MS (Journalism) University of Kansas; and BA (Hons.) from Calcutta University.

Also see: <http://www.fontandpixel.com>

Rajan Pandey, UK

Rajan has a degree in Computer Networking. Over the last 7 years he has been working in IT sector for the Scottish Executive and NHS (National Health Service Scotland). Rajan is also an active investor in the retail and residential property market in the UK and Dubai. His experience with the NHS has given him a bird's eye view perspective of the major health issues in the UK, including the latest in healthcare innovation. With a successful investment track record, he is well versed in financial and cash flow management and has a thorough understanding of banking and capital markets.



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Senior Advisors:

Piush Vidyarthi, US

Piush is a co-founder of Cross Bay Medical, Inc. He has been in the medical device industry since 1990. His background includes engineering, clinical development, Sales, Marketing and Business Development. Piush's areas of interest and expertise are in establishing distribution networks in Asia, Europe, and Latin America. He has helped bring multiple products to market in these territories. He is strategically based in the San Francisco Bay Area so as to leverage his contacts within Venture Capital and SME community.

Rene Hogeboom, Holland

Rene is a serial entrepreneur in Medical Distribution and a co-founder in Cross Bay Medical. He has been in the Medical industry since 1985. He has founded multiple successful distribution companies focused in Benelux. His current company Sigma Medical was established in 1989. This company generates over €4M in annual revenues. Rene has also founded BiologiQ, www.biologiq.nl and Angiocare, (sold in Feb, 2008). He has a very established network of European distributors and has contacts within the Dutch Venture Capital and Start-up community.

Cristiano Fontana, Italy

Cristiano is part of the management team at Cremascoli & Iris. He is responsible for sales and marketing and manages sales, support, professional education, and marketing functions. He manages 20 sales representatives, 3 sub-distributors, and the commercial department. In the near term, Cristiano will undertake responsibility for the entire operations of Cremascoli & Iris which currently has annual revenues of 7M Euro.

Xiang Li, China

Xiang Li has Over 10 years of experience in medical equipment and device market in China with over 5 years focused in women's health. He is the current MD of Mediforce Ltd in China. He has built a successful business in China and managed over 9 offices with more than 100 staff with a combined turnover of over 200 million RMB. Xiang Li has sound relationships with leading KOL's and senior management of the prestigious hospitals. He is well versed in the Chinese healthcare market, especially in Women's healthcare, Oncology and Pain Management.

8. Contact

Parag Agarwal

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