Interview: Dave O’Neil – Vice President & General Manager, Zimmer Biomet, Canada



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Referring to the Canadian affiliate of Zimmer Biomet as a “trailblazer”, Dave O’Neil looks back on a successful 2017 for the musculoskeletal healthcare company in Canada. He describes how Zimmer Biomet positions itself as a true partner in driving efficiency in the Canadian healthcare system.

2017 was an eventful year globally for Zimmer Biomet with the appointment of Bryan Hanson as new CEO. What were the main highlights for Zimmer Biomet locally in Canada?

2017 was a great year for Zimmer Biomet Canada. After the official merger of Zimmer and Biomet in June 2015, the Canadian affiliate was the first affiliate to be fully integrated last year. This helped us to accelerate our post-integration growth. The timing was ideal as the Canadian musculoskeletal market is growing tremendously and we were able to take full advantage of this in 2017.

Following the integration, all functions had to be harmonized: from sales and marketing to all functional operations of the business. The most complex to integrate were both IT and the enterprise resource platforms (ERPs). Our ERPs are tied into the US and into several of our global affiliates, and we were identified as a model for the integration of the two completely different ERPs of Zimmer and Biomet. The merger was officially struck in June 2015 and within three weeks our ERPs were fully integrated. This incredible efficiency relied on nine months of planning

beforehand, and we have just recently been identified as the country that would go first with the next level of ERP integration.

The implementation of such change is commonly also a challenge from a leadership perspective. How did you ensure the smooth integration of both companies as vice president and general manager in Canada?

I quickly realized that every single conversation I had with individuals was meaningful to them and that it was critical to be aware and appreciative of the anxiety that comes with the integration of two companies. Culture is the best way to bring together people, and it is my self-assigned mission and constant concern to take the best from two company cultures to build an even more exceptional one.

Not only at the employee level, but also at the customer level there were items to address. Our partners wanted to know what Zimmer Biomet would look like and how things would change in the services and solutions made available to them. I quickly adapted the same mindset for all interactions with external customers and stakeholders as I had with our own team members.

We are a partner in the delivery of musculoskeletal care to the Canadian healthcare system. First and foremost patients, but also physicians, nurses, healthcare providers and the health authorities, the procurement agencies, and stakeholders within the ministry of health. Every single one of our interactions is approached with a partnership mindset.

The company looks back on over 50 years of commitment to Canada. How would you describe the importance of the Canadian affiliate for Zimmer Biomet?

I take great pride in the role Canada plays for Zimmer Biomet on a global level. Our global leadership has been proven beyond the early integration post-merger; the group looks at Canada as a trailblazer in many ways. We have the ability to move very quickly in the development of different market approaches in a highly dynamic and diversified healthcare market such as Canada. Our track record is that of successful adaptation of new projects and new approaches to business in general, and Canada has thus been identified as a test-bed that can export best practices. The Sidus® Stem-Free Shoulder System for example was first launched in Canada before being introduced to the US market.

Moreover, Canada is also a significant market to us. Part of my role is to advocate for investment at our global headquarters in the USA, which is a task I approach with confidence, as our leaders are very aware of the importance of the Canadian market. My positive outlook on the future is a result

of our direct zone supervisor who is very supportive in allocating the required resources. He sees the upside of investing in Canada, as he knows of our great market presence.

Are there any particular Canadian efforts that you would like to highlight?

We have a development center for personalized solutions in Montréal. At this center, patient specific instruments and implants are developed, while the group is also leading our entry into the robotic space. We inherited a robot for neuro and spinal surgery from an acquisition a few years back, and the team in Montréal is developing a robot for knee surgery. This global effort driven out of Canada is a prime example on how Canada is a perfect spot to foster innovation, something we are determined to do at Zimmer Biomet. It never ceases to amaze me, how much innovation we can still bring to a hip replacement we have been working on for 50 years, or how we have been able to augment implant survivorship to over 30 years now.

Within Zimmer Biomet's very comprehensive portfolio, what are the main growth drivers today?

We are known as the hip and knee replacement company, and Zimmer Biomet's portfolio is very rich in that space. We have experienced tremendous growth over the last decade; our compounded annual growth rate in Canada is oscillating between 4.5 and five percent. Last year, this rate accelerated even more, as the bigger provinces of Ontario, Quebec and British Columbia started funding initiatives in this field.

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Further, we have seen our shoulder replacement and foot and ankle procedure opportunities grow. The sports medicine business focused on soft tissue repair and fixation has undergone tremendous growth in Canada. The ACL reconstruction line, which we only launched in December of 2017 already has seen great success, and our musculoskeletal fracture management portfolio is also displaying an impressive growth trajectory.

What allows us to achieve important growth today is the diversification of our portfolio, obviously even more evident after the integration of Zimmer and Biomet. Zimmer had a diversified portfolio before the merger, but it was the integration of Biomet's offering that made evident the gaps in our portfolio.

Zimmer Biomet will expand its sports medicine line and is soon to launch a new meniscus repair device, at a time when recent studies show that repairing a damaged or torn meniscus is the most important factor in preventing later-stage arthritis. We will also be diversifying the Persona®

Personalized Knee system by augmenting the offering around the available joint replacements.

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How does Zimmer Biomet position itself as a partner to the Canadian healthcare system?

We introduced a new platform, Zimmer Biomet Signature Solutions, with which we are going beyond the actual device. We look to accompany the full episode of care for a patient, offering a consulting service analyzing the efficiency of an operation. This is not a lone example: we are also very dedicated to drive forward telehealth solutions, especially given their potential to reduce healthcare expenditures and improve the patient experience.

Zimmer Biomet is working on early patient engagement and increasingly targeting the post-acute phase, which has largely been overlooked in its potential to reduce costs and augment efficiency until today. While the procedure of a joint replacement for instance can take between half an hour and an hour and a half, there is a period of 90 days of post-surgery care, along which solutions have to be provided. Although rehabilitation phases are often long, they can be shortened and optimized by home therapy solutions, allowing patients to take rehabilitation into their own hands. Telemedicine is therefore intrinsic to the post-acute care portion.

Likewise, we try to augment our overall efficiency as it is linked to the efficiency of hospitals in their activity of providing care for patients. In the knee replacement space for example, we provide the professionals with a tool chest of instruments to facilitate an operation as well as with a small storage of implants in various sizing options, so as to service every single patient. Zimmer Biomet has been putting digital templating in place in order to determine the size of the implant, plus minus one size, in advance. The rate of exactitude is of 98 percent, and this allows hospitals to avoid carrying a giant storage of implants and huge amounts of instruments, but rather narrow it down to a number of essentials and be prepared for precise patient sizing. While this technology is still in early stages, the potential it holds is tremendous and will further allow us to customize our product offering to ultimately minimize the instruments and implants as well as the risk of human error.

In order to ensure Zimmer Biomet’s innovation reaches the patient and unfolds its full potential towards best outcomes, medical education is essential. To this end, how do you collaborate with healthcare professionals?

Medical education is an activity that I am personally incredibly passionate about, as I have seen the impact it can have on healthcare professionals and thus patients around the world. Zimmer Biomet has always been very active with platforms such as didactic presentations, and is increasingly moving towards real hands-on bio-skills training, as we are entering the area of virtual reality training. Surgeons, nurses and residents can visualize the anatomy of a joint through virtual reality, simulate procedures, and perfect their technique to then replicate the practice in the operating room.

What are your plans for the evolution of Zimmer Biomet Canada over the coming years?

As a leader of the Canadian affiliate, my first focus will always be the team and its professional and personal development, as well as its health and wellness. A healthy, connected and engaged team is what leads to remarkable commercial performance while allowing everyone to enjoy the process along the way. Our goal is that our partners outside of Zimmer Biomet get the sense that our focus is on growth and development to the best of our capabilities. This is infectious and the healthcare professionals we work with appreciate that.

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