

# Newland medical teechnology essay

[Business](#), [Strategy](#)



The case is about Sarah Foster.

She found a niche in medical equipment market, in the form of a requirement of better Stent in Urology. She developed a product named SRS (Stone removal Stent) after rigorous brainstorming with her friend. The case talks about various barriers faced during the business plan development and its execution by her.

Sarah foster was a J&J employee working with hip implant design. When her division moved from Boston, she left the job. She found an opportunity for Stents in urology? In 1999 Foster and doctor Grainer started Brainstorming a sheath covered Stent.

They developed a Stent with a series of expansion bulbs along with its length, they named it SRS. She got patented her product and gained FDA approval as well. She started raising funds for her business plan and named her company as Newland Medical Technologies.

? In first phase she raised \$600000 from her friends family and Dr. Grainer and her own savings. One third of this capital was exhausted in Patenting the product and other legal works. She estimated \$ 1. 7m would be required to commercialize SRS. She raised \$65k from a business development foundation in Rhodelsland for prototype development. In second phase she got an investor as Mr.

Cunningham who invested \$2500000 an two other angel investors who invested \$75k each. SETBACKS ? Later during prototype development and testing problems with design were found. And apart from this they were

compelled to assemble a supply chain of specialists REBIRTH. In late 2004, after 60 successful patient trials and positive feedbacks from various physicians they began their full scale effort to build a critical mass of advocates and at least 1 major distributor.

In March 2005, a Boston based Taylor medical supply angered to test SRS in few of their markets in US Chris Fallon and Claudia Grimes expressed interest in their company ANOTHER WAVE OF PROBLEMS ? Meanwhile Sarah got pregnant. She had problems with angel investors and Fallon and Grimes began to demand changes in the deal structure to get better returns. In oct.

2005 their investment banker brought an offer from a distributor based in Florida. But Sarah decided to stay with her original investors Sarah started looking for the acquisition that would yield better returns for her investors. If it was not her pregnancy Sarah would have returned to her original strategy to build innovative medical device enterprise. But facing the prospect of being a new mother and running a growing business, an offer on the table and shortage of funds forced her to make some tough decisions.