

Oral History with John Pekarsky, April 1, 2021
Interview by Benjamin Spohn for Hagley Museum and Library
Hologic oral histories project

Q: Okay, we're live. We're recording. Today is April the 1st, 2021. And I am interviewing John Pekarsky. Retired, but formerly of Hologic. So John, can you tell us a little bit about your early life and education and what the title that you held when you retired was from Hologic? Let's start there.

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A: Okay, excellent. Well, I am from Irwin, Pennsylvania. Irwin is an ex-coal mining town about 30 miles east of Pittsburgh. Both sets of grandparents of mine ended up in Irwin as coal miners. My mother's family emigrated from northern Italy in the Dolomite Mountains. And my father's family emigrated from southern Poland, from the Krakow area. So the irony there is I'm half-Polish and half-Italian, and I think I've heard every joke, too. So that's where I grew up. Irwin's tiny. Maybe 3000 people. And as I said, it was a lot of miners.

All the mines are closed at this point, but that all fed into the steel industry. And those families moved there right after World War I, so that was when things were starting to boom. Big, big ethnic community. So I went to school there, public school. I guess I was a pretty good student. I wasn't at the top of my class, but I did okay. I loved sports as a kid. I played baseball at every level. My hero in life was Roberto Clemente. Always loved – wanted to see him play in
[00:01:54] field sitting right field and watch him.

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And he was the guy. That was what my life was all about. I graduated high school, played ball there. Did pretty well. And it just so happened that the little hometown I lived in also was the home of the baseball coach at the University of Pittsburgh. So he had seen me play a couple of times and offered or suggested that I might come play at Pitt. This was back when freshmen weren't eligible. There were not scholarships at that point for freshmen anyway. So you could go to Pitt, play on the freshmen team. And that sounded pretty good to me because it was a good university, great place to get an education. It wasn't far from home. So I did attend the

University of Pittsburgh. I majored in physics. And actually, after my – what, sophomore year of college, I had an appointment with my guidance counselor who said, “John, you’ve got to pick a major,” because I didn’t have a major at that point.

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He says, “We have to declare a major. What do you want to be when you grow up?” And I said, “I want to be a baseball player.” And he said, “Well, then let’s pick a major.” And I [00:03:19] a scientist, so I ended up majoring in physics. Graduated with that degree, a BS in physics. And then, I don’t know if the word is “recruited” or by happenstance, I was called upon by the graduate school of public health saying that they were looking for people with science backgrounds that could get a joint degree in hospital health administration. And the joint degree was in the school of public health and the school of business. So they were trying out this model to see if it worked. And I think they selected about 15 of us that could go through this program. And the thought was that when we graduated, there would be positions open at VA hospitals throughout the United States. The VA community was growing quite a bit.

It was post-Vietnam War and all. So that was the second degree I got. When I got out of graduate school though, there were federal health planning agencies called health systems agencies that – back when – believed that high technology equipment might raise overall healthcare prices. And so, there was something called a certificate of need that hospitals had to apply to buy a high tech piece of equipment. A CT, for example. And I had met the director of this program. It became a nationwide program. And he told me that the planning agencies were going to be unfolded from the west coast to the east coast.

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And with that, I moved to San Francisco and got a job there as a planner, a federal health planner looking at applications for hospitals that wanted to buy high tech equipment. So that lasted probably five or six years. And then Ronald Reagan was elected. And he believed that a competitive model was the best way to control healthcare costs. So with that, I was told I had six months to find a job, basically, because the agency was closed down. So I think you have a question on here asking what drew me to sales in the medical field. Well, knowing that I had this

time that I was getting paid, even though I wasn't working – I ran into one of my neighbors that I knew quite well. And he happened to be the vice president of sales for Motorola Corporation on the west coast.

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I told him about my situation and he said, “Well, you've got some time. I think you could fit into my organization very well. We'll train you. We'll show you how this works. And if it works out, great. If it doesn't, no harm no foul. You're getting paid either way.” So with that, I joined Motorola and sold two-way radios. And kind of specialized in working with their healthcare division where they sold two-way radios to ambulances and hospitals and things of that nature. And as things turned out after my second year at Motorola, I ranked number two on the west coast in sales. So there I was with two degrees that had nothing to do with what I was doing, but I enjoyed the whole concept of selling.

And then the first irony I guess in my career was a buddy of mine was also selling at Motorola. Worked out at the gym every day and he had a friend that was a headhunter. And the headhunter said to him, “I just got this job order. It's with a German company, and it got really weird specifications. They're looking for a person that understands science, especially physics. They want somebody that has knowledge of how hospitals and administration works. And lastly, they have to have a successful sales career.” So my buddy says, “I know exactly who you want. I work with the guy.” So I got a phone call, him saying, “Well, there's this company named Siemens and they're German, and there's this product called an MRI. Why don't you take a look and see what you think?”

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So I did. And I think I may have told you this story when we first spoke, that I interviewed up the ranks of Siemens. And the gentleman that would be my direct supervisor asked me if I had any vacation at Motorola. And I said, “Yeah, I have two weeks.” He said, “Why don't you take a week and maintain that job? Because none of us knows what an MRI is. We don't know how to sell these things. But I will give you a ticket and you can go back to Germany and see what one is. You'll see it work. You'll talk to the engineers. And do me a favor – after three days, if you

like it and you want the job, terrific. It's yours. If you don't, no harm no foul. Come back and go to work for Motorola again." And so that is exactly what I did. And on that third day, I called him and said, "This looks amazing. It looks exciting." And so I was one of the initial six MRI sales specialists at Siemens.

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I believe another question you have here is, what was my job in the early days of MRI? And that was it. I was a sales specialist specializing only in MR because at that point, Siemens had a family of products that they sold in radiology. So they had these generalists that would go out and visit with customers. And showed them, you know, "I've got one of these and two of those," and all the rest. And if they said MRI, that was when I got called in, usually with the sales rep. I worked in conjunction with him. But that was my specialty. And I worked out of the San Francisco office. I was responsible for 13 states. Nobody had an MRI. People were starting to buy. I competed against Phillips and GE and a few others. And so, there were a few of us that just ran around the west coast and the northwest, doing presentations about MR, talking about how it works.

We were the ambassadors and the educators for the modality back when. And it was exciting. People were going to buy, and it was great. It wasn't like, "I may or may not buy one." We knew people were buying. Every now and then, you get an order and you thought you were actually good. But the market was there for it. It was right. So that was good. That was a lot of fun. I did that for seven years.

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And I believe four or five of those seven years, I was the top MRI sales specialist in the country. And one of the honors that that brought me was I got to go to Germany each year for the big managers' meeting and talk about success, and how did I get successful? And just a little aside, I spoke to a group of German engineers about success. And they said, "What drives you? What gets you so excited about selling MRIs?" And I said, "I don't know if many of you know this, but when you fly into the San Francisco airport and you get on the interstate there, there's about a three quarter mile stretch of elevated highway." And I said, "If I get an order that day and I fly

back home to San Francisco, once I get my car and I get on that elevated highway for about three quarters of a mile,” I said, “There is just a rush that comes over me. There's a – wow, I did it. I got it. I'm successful.”

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And they looked at me. Nobody really commented. And one gentleman put up his hand and said, “What kind of car are you driving when you do this?” They didn't understand the concept of the joy that you get from selling. So it was a Chevy Celebrity company car. But nevertheless, that was a very good way to approach all of it. If you want me to finish the Siemens career and then go back to how do you sell medical equipment --?

Q: Sounds good.

A: Okay. Because that one I think – how do you sell medical equipment? I could go on forever. But seven years in MR at Siemens, and then I get a phone call from the president of the company asking if I wanted to get interested in a new branch of the company that he's developing. And he said, “The best part of it is you don't have to be in the home office.” Home office for Siemens back when in the US was in Iselin, New Jersey. And it wasn't the greatest place. Woodbridge was there, but you had to fly into Newark, and that was the gloom for all the home office people is they didn't like Iselin, New Jersey. But the job was in national accounts. And what had really happened in the world of healthcare at that point was a lot of the for-profit hospital companies were really emerging and having great success.

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And our big competitors, GE and Phillips and all that, had dedicated people that were calling on Hospital Corporation, Humana, et cetera. And what you realize there is those deals for the for-profit hospitals were all done at a corporate office. So if you wanted to sell to Humana, you had to go to Louisville, Kentucky. And you better be on the fifth floor because that's where decisions were made. You could go to every hospital locally and they might call you a nice guy and they like your product, but the deals were done always at home office. So knowing that, I took the job and was able to move to Nashville, Tennessee because that was the home of Hospital

Corporation of America, which was the big plum that everybody was after. So in that regard, I was able to drive 20 minutes to get to the corporate headquarters of HCA and represent Siemens.

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And that worked out pretty well. But the pattern you may see in my career is I took positions that either hadn't been held before, or there was this great level of success. So MRI was brand new, national accounts was brand new. So it was fun developing all that and competing now at a different level with the other big guys out there. And I ended up doing that for another seven years, at which time I got a call once again from the president asking if I would be interested in going to work for a Siemens joint venture. They owned 51% of a company in Knoxville, Tennessee – I'm in Nashville – asking if I would go over there and head sales for their company that manufactured and sold PET scanners and cyclotrons, which creates the radioactive isotope for PET, which is basically a nuclear medicine procedure.

And I thought that was the next great step to take in my career once again. Wasn't even FDA approved. Brand new. So I'm out seeing the same people I've been seeing all along, telling them the story, educating them, et cetera. And I did that for about two and a half, three years. And then there was a huge management change at Siemens. And all of a sudden, all the people that I knew and worked with weren't there any longer. And that was when I left. So tell me if you want me to continue with the career, or if you want me to tell you how to sell medical equipment.

Q: Let's talk a little bit about selling medical equipment, because it seems like they're really tied together so far with the emergent theme that you're constantly selling something that's new.

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A: Yes. Yeah, I was up to that point. But yeah, the whole medical equipment thing – when I saw this question, I thought, that's an easy one. That's a simple one. And then in my mind the other day when I was working on the yard, I went about two and a half hours in my head of telling you how to do it. But I think the basic thing about selling medical equipment is this – when we say “medical equipment,” first ask yourself, is the equipment a commodity? Or is it a non-

commodity? A commodity from an equipment standpoint is something that the buyer just sees it's items A, B, and C. They're basically all the same. They get the job done.

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So if you're selling that kind of a product, I think the number one thing customers are looking at is price. Your product works as well as the other guy. Where do I get the best deal? That's where I'm going. And I know that's quite simple. But that's not the technology-driven products that are out there. So when you're looking at the stuff that I was involved with, the MRIs, the PETs, I was full lining national accounts. You talk about cardiac cath labs. Really expensive technological pieces. Customers look at that differently. Price is important, but it's usually not the number one thing they look for. They look for the overall technology. Are you the market leader in whatever type of technology? This is where physicians get very, very involved in finding out how it works, how it operates, how would they use it on patients? So, technology is probably the most important part of how medical equipment is sold, followed by your futures, your R&D.

Because while you were talking about your involvement with tech items there – as you know, there's always leapfrogs in technology. So what I present to you today might be very different nine months down the road. So that was always the story I had to tell, was where's your R&D going, how are you going to get there? Because the third piece of it was with the competition among US hospitals and clinics and all.

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You had to be able to market things. So I'll market you and you're my competitor. I can bring in more patients than you can, and that makes everybody happy. So those were the three things I think that you really had to focus on when it came to the technological driven sale. And that type of selling really – I'm just going to give you my terms for it. I categorize as a consultative or solution selling. Consultative in that I'm going to go on in and talk about my technology. I'm going to talk about and maybe even show you R&D. And so, I go in as a consultant. I don't go on in saying my price is lower than Ben's price. Price usually takes care of itself in these kinds of sales if you do everything right on the frontend. And the other part of the consultative sale, I believe, is that the salesperson is seen as – this is my term once again – a hero.

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I can become a hero to you if I can meet all your needs, and when it is all said and done, you bought the right technology with the right futures, and you can market the daylights out of this and compete very well in the hospital market. And the difference there being you can buy from a company, but you're also buying from [00:19:52]. On the other hand, there are what I call agents of companies. A great example of an agent were the Johnson and Johnson reps. I don't know if you ever got with Johnson and Johnson, but they were the most formidable company out there. And fortunately for me, they weren't in the capital equipment business. But you bought from Johnson and Johnson. And if Ben showed up on Monday and was your rep and Ben got promoted and John came in on Wednesday, it was seamless.

They didn't necessarily buy from you or me. They bought from J and J. And J and J serviced accounts better than anybody. I know this. When I was at Siemens running national accounts, I had the chance to attend a one week course in New Brunswick at J and J just to see how they did things. And it was very formidable to ever have to compete with them. But going back to selling high tech medical equipment, I believe you were more consultative, although our friends at General Electric started a slogan way back in selling high tech equipment that said, "No radiology manager that ever bought GE lost their job for doing it," which meant it was very safe to say, "I went GE," because GE was the powerhouse in all of this.

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But when I go back to think about my MR days, even the national account days, and you look at certain geographies, who's getting all the business, you can say it's this company. But then it was the hero of that company. It was Ben. Great relationship with Ben. Lot of respect for Ben. Trust Ben. If Ben came in selling cars tomorrow, I'd go for a test drive. There was that kind of relationship. Versus I show up on Wednesday and say, "Hey, it's two o'clock. I come in every Wednesday at two. How's your business going? If you need me, I'm here. If not, I'm out the door off to see somebody else." And that was kind of the J and J approach because they were the Q-tip, the Band-Aid people. But as I said, both ways were very, very successful. But when it came

to selling the high tech stuff, it really came down to being consultative and solution selling. And as you said to me before we even got started here, that required salespeople to be great listeners.

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Because if you show up and somebody is looking to buy something, rather than going into presentation mode, you've got to find out what their needs are and who's going to be involved in the process et cetera, et cetera. So it's one of the things that I learned very well from the beginning. And then when I was at Hologic, we taught our salespeople very well. If you're going to show up with a PowerPoint and I don't even know what the heck you're wanting to do or where you're going to put it or how you're going to use it on patients, it's the wrong way to get started. So it's the whole consultative listening approach, and really then becoming a hero if I can deliver all the goods to you that you're looking for. Does that kind of help you with selling equipment, Ben?

Q: Yeah.

A: Because when I talk about the salespeople here at Hologic and all that kind of stuff, I'll explain that even in depth. But that pretty much is it. But when I think about my time at Siemens, somebody in Arizona bought Siemens equipment. They bought from Danny. They didn't buy from Siemens. "Oh, I bought this from Danny." He happened to work for Siemens. Danny was the hero. But I think what you see with certain companies – if you can migrate from having hero sales reps to an organization that is so well known that people buy the brand name – that's where you want to go. It makes it so much easier.

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One of the things that I always talked about at Hologic with the sales team was that one of our goals – granted, it was an extreme goal, but one of our goals should be that as folks would talk about – rather than saying, "I need a tissue," they say "I need a Kleenex." Rather than saying, "Make me a copy of this," they say, "Hey, can you Xerox this?" And I kept saying, we want to turn "I need a mammogram," into "I need a Hologic." You get that brand recognition that really then is the word of mouth. It's the patient out there seeking that kind of equipment rather than

getting whatever the hospital has at that point in time. So those were always our goals. Tell me where you want me to go at this point. Do you want me to continue to go down the list here?

Q: No, we don't have to do that. Because actually, you were hitting on something that I was trying to get at a little bit later about what mattered more, a salesperson's personal credibility or the company they were working for at the time? And I think you've answered that pretty well.

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A: Yeah. And the other thing – I made some notes here, obviously, if you see me looking down. When I was at Hologic, we needed hero reps, right? Because we were competing against the big guys. We had to differentiate ourselves as best we could. So I didn't want to hire a GE person because they were known as the GE person. And their approach was, if I have an hour with Ben, I want to spend 50 minutes doing a PowerPoint rather than spending 50 minutes listening to what your needs are. I kind of simplified that, but that was their sales approach. What we looked for were successful business relationships. So our demographic was people that were probably a lot more experienced, older. But the factors that we looked for in these folks was we wanted somebody that was respected with their customers.

Too often, you look at salespeople, any walk of sales, and there's that fine line between respect, being respected, and being liked. And if you could accomplish both, that's what you want to be. But if you had to choose one or the other, you have to pick respect over like any day. I've seen too many people that show up and say, "I want Ben to like me, so I'm going to give you two tickets to the Phillies game for you and a friend of yours if you buy from me." And that might work until somebody shows up and says, "Hey Ben, I'll give you four tickets to the 76ers game when they're in the playoffs."

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So it's that like thing. But just the basic fundamentals of respect. And respect in selling is undersell, overperform. I've seen great, great salespeople being able to do that. If you asked what's my delivery and my delivery is three days, and I say to you, "Ben, would you have a

problem if it took five days to get here?” and you say, “No, I can live with that,” and it shows up in three, somehow there's that customer feeling that I'm special.

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You got it earlier than what you committed to doing. But respect, I think, is so much more important. And those were the things I looked for at Hologic. I wanted somebody with a business relationship. I wanted somebody – if you named a hospital on the interview, they could tell you who the managerial stuff was there and if they had relationships rather than if you give me a PowerPoint, I'll go sit in materials management and hope to get an appointment with somebody. So I think respect was what got people the point. That's who we looked for. And I think later on in the conversation, I'll tell you how I think Hologic has adeptly migrated from having those hero sales reps to the folks now that are agents of the company. Because you can walk into places now because they have such an overwhelming market share and great respect in the medical field that you go in and say, “I'm with Hologic,” and you don't have to be the hero that much anymore. Not that one is better than the other, but I think where Hologic went with all this – and this was after I left – is a brilliant strategy. So, anyhow.

Q: Well before we get to that, I guess we should keep working through your career to get to Hologic.

A: Okay. Yeah, so I think I left off at Siemens with this massive overhaul of senior management. So it seemed like everybody that I knew and trusted and worked with was kind of out the door. And I got a phone call from a gentleman who was the CEO of Trex Medical Corporation. Trex Medical was a company owned by Thermo Electron.

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And what Trex was at that point was a conglomerate of four radiology businesses that they had purchased. And they were looking to blend the four companies together to create this one company that had mammography, general radiography, cardiac, and – yeah, and just basically general radiography, mobile systems, et cetera. So I get a call from the CEO. He says, “Last night, I rode on a plane with a guy who was ex-Siemens management. Told him that I was

looking for somebody that could come on in and help pull these four companies together. And he said, ‘Well, you're in luck. I know the perfect guy for you. Here's his name and number.’”

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So once again, here was a job that no one had done before. It seemed pretty exciting, not realizing all the landmines that might exist trying to get four companies to act as one. So I took the leap at that point and left Siemens and went to work for Trex. And a funny thing happened about a year and a half after being at Trex. Thermo Electron announced to the industry that they put Trex up for sale. And so, that really kind of handicapped us in selling anything because you might buy a product from Trex today, but if Trex is purchased by whomever, who will service it? How will that work? Maybe it's a company I don't like. All those things. So fortunately for me, I was asked to remain with the company until the purchase was completed. And Thermo Electron actually – they gave me a retention bonus to stick around until the event happened. So that was good. As I watched everybody leave the company, I was the one that stuck around.

And then I'm going to answer the next question here because when Hologic was acquired, I went to the meeting where the announcement was made. And I had in hand an offer from another company, which I intended to go to. But when I went to this meeting, there was a gentleman that came to speak for Hologic by the name of Jack Cumming, who had just been informed that he was going to run the mammography business that was acquired from Trex.

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And he spoke to our organization in the cafeteria. So all the employees were there. And at the end of the presentation he asked, “Is there a John Pekarsky here?” Yeah. I was the only one sitting in the front row, by the way. Everyone else was sitting in the back. And he said, “I'd like to talk to you later on today or tonight,” because he knew I was the holdover guy, if you would. So we had dinner that night. And at dinner, he asked me, “Are you going to resign? Because my guess is you're going to stick around and get your retention bonus, and then you've got another job lined up.” And I said, “Yeah, that's the intention I had when I got on the plane this morning.” And we ate chocolate chip cookies and we had ice cream and we went to a nice dinner and drank

a little bit, and probably some later hour of the morning, I decided that I was going to stick around because I really liked who this guy was.

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I liked the culture he wanted to create. I liked the opportunity that this would afford me and what he told me he wanted me to do. And so with that, I didn't leave Hologic. And I think for the first year at Trex or LowRad then, which was the mammography division was part of Hologic, I focused on my old national account job to get all Hologic products on contract as much as I could with all the national bank groups because that hadn't been done before. So it's pretty difficult, especially with the for-profits like I told you. You don't sell anything to HCA unless you're on contract. You don't sell anything to Humana. And that was 20% of the US healthcare business. So they weren't even playing in those arenas.

So I did my best to get that together. And then I got a phone call from Jack. He had me come into Boston. He took me to dinner and he said, "You are our new senior vice president of sales," and I also became an executive officer of the company at that point, which was very flattering for me and gave me a lot of responsibility. And it was at that point that I proposed a major overhaul to Jack on how we did business from a sales perspective.

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Because I didn't see us getting any better or growing or accomplishing any of the goals he had unless there were massive changes. So that was where I came in. By the way, that's where I went out, too. That was my title. I was senior VP of sales and strategic accounts, and I was an executive officer, executive officer meaning that you had the ability to approve certain amounts of money traveling within the company and all of it from a sales perspective bend. It was great for me because my name was placed on a quotation. And when I talk about the overhaul of what we did there, one of the things I did was I created what I thought was the simplest but most efficient quotation to work not only for Hologic, but for the customers. So if my name was on the quote and you wanted to buy a piece of equipment, and you saw the price and you said, "This is fine," all you had to do was sign the quote and send it on in.

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And because of my status within the company, it was an official order. There was companies out there still that if I came to you with a quote and you said, "How do I buy it?" you say you got to sign the quote. And then I had to take it to home office to get approval. Customers didn't really appreciate that extra step at the end. So Jack was kind enough – I guess the board of directors was too – to offer me that title. So where do we want to go next?

Q: Did you make any other major changes at Hologic?

A: Yeah. Here we go. So, when I got to Hologic, Hologic was selling bone densitometry equipment. And the way they sold it was through direct salespeople. So if you look at the whole United States – I'm talking US sales at this point – I think they had 18 direct reps. And they sold that way – direct Hologic rep to a customer. And the nice part about all that was that there was an introduction of a pharmaceutical called Fosamax. And Fosamax was something that was prescribed to women that had calcium deficiencies. So at the time, to buy a bone densitometer, at least the one that Hologic had, you were able to do a bone density study. You go on Fosamax, you go back in six, nine months, one year later, you do another study, you can see the results if it has a positive outcome. So business was healthy because there was a great need for bone densitometers because of the introduction of Fosamax.

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Eighteen reps, and life was pretty good. But like I said, no national contracts. But they were doing well enough. Then of course, Hologic bought the Trex mammo business, or LowRad mammo business. Totally different sales model. The way that was set up was about ten percent of the Hologic mammo business was from direct representation. And 90% of it came through a dealer organization. Now, dealers were simply agents of the company that provided sales and service in a given geography. And that was how LowRad had done business, and that's how Trex was doing business. And this was a major bone of contention for me because basically, we had no control over that business at all. We would sell a product to them at a transfer price. They would represent it to the customer. They would install it. They would service it.

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And so when I got the job as the head of sales, one of the first things I did was I went to Tucson, Arizona. There was a company back when called MD Byline. And this company was a company that worked with both vendors and purchasers to gather as much information as they could on products. Product pricing, product performance. They gave out awards and all on who has the best MR, who has the best MR service based on feedback they get from – and at that point, it was like 3500 hospitals. So MD Byline could help you tremendously if you were good, but they could kill you if you were bad because you could get a membership and say, “Hey, I’m looking to buy a widget,” and go on Byline and find out that of the 2000 hospitals that bought it, 1800 of them don’t like it.

And you could talk about the sales force, whatever you wanted. So I spent probably three or four days when I first got the sales job, and I went to Byline to find out what hospitals and customers in the United States thought of the bone density product in the sales force and Hologic as a company, and then also on the mammo side with LowRad. And you learn an awful lot of things there. Hologic had basically a dominant presence with bone density. They were bringing in, what, maybe 60% of the market. And that was one of the positives.

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One of the negatives was a lot of people were buying it and never even seeing their sales rep so that the coverage to the field wasn’t the best. On the other hand, you look at the mammography business, and they’d say, “Well, I’ve never seen a representative.” Why? Well, a dealer rep sells a whole bag of tricks. So if I work for a dealership and I sell radiology products, I might have 20 companies I represent. And if company number one comes to me and says, “Hey Ben, if you go out and sell a few of these for me, I’ll give you a free trip to The Poconos with a significant other,” that’s what you’re going to focus on. So not every dealership was really pushing mammo. And then when they did, what we found was the service was all over the map. Some dealers serviced the equipment very well. Others were horrible. So if you went to MD Byline and you look at the overall service of LowRad or then Hologic mammo, it was terrible because they would average it out, and we had the worst service in the industry.

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So that was when I went to Jack and said, “We got to change things massively here,” because I started querying old customers that I had, asking them, “Tell me what you think of Hologic. I'm now the head of sales there.” And they'd say, “What's a Hologic?” And so, you realized that there was a lot of work to do. But hooray for me, because this looked like something new again that really needed to be done. So I was jumping in at that point. I want to say that none of what I did or I think Hologic was doing at that point though was done from an ivory tower approach. I didn't sit there and say, “This is what's best for customers.” I talked to every customer I could. I went out and visited with customers. I think you may have heard this from Jim Culley and the like: everything we did at Hologic we called customer-centric.

We didn't do anything without finding what a customer reaction was going to be when we told them what the result might be. So we involved customers from day one. I mentioned the quote system. It was great. I'd go out and see customers. In general, what quotation do you think is the best one in the industry that you get on the medical? “Oh, so and so has the best quote.” Why? Because it's only two pages and it works and there's not too much legalese in it, but it's appropriate and all.

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Who has the worst quotation system and why? So with that customer feedback, I was able to jump in and say, “Okay, we're going to do a new quote at Hologic.” But the other thing I realized was if you asked customers about a Hologic rep versus a Trex or LowRad or now Hologic mammo rep, they didn't even know they were with the same company if they did see them. So the big change I made was to get rid of, I think, all but four dealers on the mammography side. We picked the best four that of course I thought were critical. For example, Be, Hawaii. You do business in Hawaii, you better have a local dealership there or local presence. And what we found was our dealer over there was Hawaiian based, Hawaiian owned. It turned out to be a great, great success for us in the long run. But if I were to have decided to hire somebody and send them to Hawaii to be the rep, we wouldn't have done as well I don't think.

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It's one of those areas where customers are very critical of outsiders, so to speak. So we got rid of all the dealers. And prior to that though, we went on the recruiting trail because I wanted to go direct everywhere we could. And I wanted the Hologic reps to be account managers, meaning when I walk in with a business card that says Hologic, I can sell you anything that Hologic makes, and I can also talk to you about service, and I will talk to you about buying a service at the time of sale too, because it's something Hologic had never done before. So you can imagine, we're getting rid of dealers, we're hiring a bunch of new people.

The existing people we have are saying, "What is going on here? I either like this or I don't." So I don't remember the exact numbers, but I think of the 18 or so original reps that Hologic had, after the first year of the changes, there were like seven of them left. And I guess that was good for everybody because it wasn't like we were firing people necessarily. But when you tell them what the new job is going to be and what the expectations were, some of them decided that that wasn't where they wanted their career to be, so they moved on. But that was the big leap that we made, was to go to an account management approach. And when I say Hologic, I can talk to you about anything Hologic to make it easier for you, the customer, rather than you saying, "Oh, Hologic, yeah. But I wanted to talk about mammo," and I say, "Oh, I'll get the mammo guy to call you."

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So we gave them that one face to the customer we needed. And we did retain dealers in, like I said, Hawaii, the upper Midwest. [00:46:14] we had a 100% market share for mammography in North Dakota and South Dakota because we had a local dealer rep there that had been doing this for 25 years. He knew everybody. They loved him. And they bought from him. So that was another reason we kept that dealer. But, big, big change. And fortunately, there wasn't a lot of business going on. I told you, we had 11% mammo market share at the time we started this whole thing. So we really didn't have anywhere to go but up. So I thought that in doing so, that was making this big change to account management was going to be the first step in that direction.

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And then not only did I talk to customers about what they wanted to see or why would they want to buy from a company that did this or that. I talked to all the reps, too. And I really appreciated the honesty of a lot of them because the old Hologic reps there – I mean, the reps that had been Hologic, not their age – would tell me what worked. So you think of the map of the United States and say you've got 18 people. How do you cover the whole US? Well, that was one of the problems. And little things, Ben. For example, we had a person that covered the state you live in that lived on your end of the state. Great, great sales record in eastern Pennsylvania. Not much going on in western Pennsylvania. I ask why is that? If you're so good, what's going on in the west? Well number one, there was a car allowance that wasn't very generous, and there was no gas card so that if I had to drive from Phoenixville, Pennsylvania to Beaver Falls, that was all on me. I'm putting a whole bunch of miles on my car.

Nobody's paying for my gasoline, et cetera. You weren't allowed to buy an airline ticket. So it was these little workings within the company that you changed, and all of a sudden opens up the possibilities. So, little things I did. I raised the car allowance, the amount they got a month. We'll give them a gas card. Direct billing to the company. You don't have to put it on your expenses. You buy gas, we pay the corporate credit card at the end of the month. And like I said, that really enabled a lot of folks then to expand the area where they were selling.

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And while that sounds trivial I guess, as I said, I appreciated the fact that there was honesty there that said this is an impedance to doing all of it. Hey, if I could fly up to Pittsburgh and back in a day, that'd be cool. But if I'm going to have to drive over in a day, drive back, I'm with my family for four days. So we were able to work through a lot of those things on the front end of it. But I think maybe the one thing that happened when we started the new sales organization that maybe was the most beneficial – I came up with this idea of making a top 100 list. And the top 100 list was a pie in the sky list of, if you could pick 100 accounts in the United States that would become Hologic customers, who do you think those accounts would be that would create the most value for us today and onward?

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Because there are a lot of customers out there who were just embedded with General Electric or Siemens or whoever, and it's hard to break in. And so this was list, I think, about five or six of us that had some input. It was Jack Cumming, myself, Tom [00:50:27] had a business development. Jay Stein. Okay, who do you think these big accounts are? And of course, we went after universities first because if you can get a university to buy your equipment, a teaching university, then everybody who comes through your program and is using your equipment, comfortable with it, when they go out to practice on their own at whatever community hospital or whatnot, they're probably going to buy your equipment.

So we decided that we could come up with this top 100 list so to speak, and that once I had the input of everybody, the question was asked of, where do you have the greatest relationships? Meaning of the six people that gave the info. I had a lot of the west coast influence because I spent my time out there with Siemens. So I said, yeah, I can walk into the CEO's office of any of these facilities out there. Great. So all of a sudden, John became the senior staff responsible for that top 100 account. And we targeted these accounts. That didn't necessarily mean they were buying something today. It's that we need a relationship that's going to put us in a position so that when they are buying, we will be considered.

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And that's when I also rolled out the whole sales program to our folks that said, look, here's my definition of selling. My definition of selling is having a customer relationship that is going to exist throughout your entire sales career. I think of the questions you asked is when a person goes from one company to another, why do they do it? Well, successful people are those – successful in moving company to company are those that can say, "I've got great business relationships with my customers." So if your goal was to have a respectful business relationship with that customer and you have an opportunity for deals to come, well, when a purchase comes about, that's just an event in time. As long as you're allowed to participate, you're going to win some. You might lose a couple. But you don't ever lose a customer. So you want a customer for life.

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That became the goal of our sales force. And especially with these top 100 is we want to have a great relationship with Stanford. We want to have a great relationship with the University of Pennsylvania. Does that mean that they're buying something in the next three months that we sell? No, but we want that relationship and we want to have that relationship forever because that's what makes successful companies. And it was one of the things I learned with Siemens. Quick story – Stanford was all GE back when. Hell, they were in my backyard. And I'm selling Siemens. And they were looking to buy a bunch of CT scanners and MR and all that kind of stuff. I went as far as to take them to Germany to show them equipment being manufactured and the head of R&D and all that.

They met the guy that ran medical worldwide for us, a German gentleman. And when it came close to sell, I got the phone call saying, “Well, we appreciated all you did. You were a close second, but we're going with GE again.” And it hurt because I put in so much time and effort. And I had to get word back to Germany that basically, we lost the deal. Well, it was a Saturday morning. I'm out doing something in the yard and the phone rings. My wife answers the phone. Comes out and says, “A Dr. Reinhart from Germany is on the phone for you.” I'm thinking, oh my gosh. It's a Saturday. This guy has medical worldwide. He's calling me. We lost the Stanford deal. He's going to fire me.

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Get on the phone and he said, “I want to thank you for the effort. And we've come closer with Stanford than we ever had.” He said, “But I think the success we've had is that you've now created a relationship that never existed before.” He said, “And keep that relationship if you can. It's okay in this case to lose a sale, but don't ever lose Stanford as a customer.” And I felt good about it. And the funny part then about six months later, I get a phone call from Stanford. And they said, “Hey, we're looking to buy a couple of these things for a clinic that we're putting in, and we saw in Germany that you had the perfect product for it.” So they started buying from us. And that's when it really settled in with me. You don't just chase a customer when you think they're buying something.

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A customer is a customer, and they need to be a customer for life, and you need to service them that way. And that became our selling mantra at Hologic. And by doing the top 100 where you had a senior manager of the company that also has responsibility for that account, it's a lot easier to get in and see the CEO of [00:55:44] in Los Angeles if the CEO of Hologic is involved versus, "Hi, I'm a sales rep." So we took that approach, and with your senior management influence and relationships to try and get the word out on Hologic and tell the story of who we were and what we wanted to become. And I think of the – these were top 100 that we weren't doing significant business with. I don't know what the actual number was at the end. But I know there was a lot of pride that we all had that we were probably somewhere pushing 75 to 80 of those customers were Hologic customers when Tom and John and Jack and everybody retired from the company.

So the top 100 account became a big one for us. And it was kind of a – why would you go after the bigs when you're just starting out? Well, that's how we thought we could get the word out. And the approach I told you about universities worked so very well because right now, I still get feedback that somebody will – in the sales force now. "Hey, I got a call from so and so. They went to the University of Pittsburgh, and they worked on our equipment there for years and now they're down in West Virginia. They needed to buy a mammo. They called and said, 'Hey, I'm ready to go. I love the product. I love the company.'" And that's what we tried to set the foundation for with all of this.

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So that was a good one, and that's one that I can't take credit for. It was a total team effort. And like I said, Jack, Jay, Tom, myself – anybody that could help got out there to work with these customers. And the nice part is when our big orders – big orders for us, when you're converting from analog to digital or from digital to tomo. A lot of times, they buy in bulk. I want to buy 15 systems, I want to buy 18 systems. You get one of those deals, you also ask, why? Why did you go with us? If you lose the deal, you ask why. Why didn't you go with us? Because you want to learn. And so often, we would hear that it was the support of the company from top to bottom that got us the order because when you're playing the mammo game against a GE or a Siemens,

it's a product that's somewhat profitable, but not nearly as profit or as big ticket as the things I mentioned before.

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You sell an MRI scanner, you sell a CT scanner. I don't know if it's still the case, but CT scanners used to be the most profitable item that was sold by vendors in the world of radiology. So sales people were chasing after that because their comp plan says that's where I make the most money. Are you going to make something on mammo? Yeah, but I could make how many times that selling a CT? I'm chasing CT scanners. So that was an advantage that we had. And now that I mention compensation, that was another item that I changed dramatically within the company when I got there because everybody was paid a different way. And now all of a sudden, you're going to become an account manager. How are you going to pay that person? Well, the Hologic folks were pretty heavy on the salary side. And I don't know the exact numbers. Maybe it was 80% of your income for the year was a salary and 20% was commission.

I didn't like that model as much as I did reversing it. So if you had a lower salary but a higher commission, you tend to see the people that are more aggressive and perhaps more hungry. So the new model for compensation that I put out there was one of – if you sell a lot, you can make a lot. We had no cap on our income at all. A lot of companies will say, Ben, your quota is ten units. You sell ten units. That's it. You're maxed out for the year.

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We didn't do any of that. Fortunately, in working with the CFO Glenn and others, we believed because we were a growth company there were no limits on income at Hologic. You could sell the daylight out of them. We're not going to say there's a cap on how much you can make. I came up with a comp plan that I marketed as a plan that didn't have quotas in it. Because a lot of times – here's your quota for the year. Sell ten units. If you sell ten units, you're successful. If you sell eight, you weren't quite there. What I found is when we hired overachievers, when we hired people that I mentioned that – the criteria I mentioned. You have great business relationships. And if I say your quota is X, in some cases, I'm limiting you.

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First year comp plan that I was there [01:01:01] quotas, we hired a dynamite in the northwest – a dynamo, rather – to sell mammography. Her quota was eight units. Okay, seven months into the year, she calls me and says, “Hey, what do you want me to do?” What do you mean? Well, she says, “I have five months left in the year. I've already sold my quota. What should I do with the next five months?” And I realized I put a limitation on the whole thing, or there was one exist in the plan. So we made it wide open. We made it very lucrative for our people to make money. And we hired people that were really excited about that opportunity because when you're selling one product – well, two I guess [01:01:46] mammo and you're up against a rep that's out there trying to sell CTs and MRs and all, and you can make more money than they can selling a niche product or two niche products, that's when we got some very, very aggressive people. And I think you had a question on here about going from a big company to a niche company.

I think that was one of the things that allowed us to attract really, really good salespeople, was that there was opportunity there to make a whole bunch. We empowered our salespeople. Quotations. Made a simple quote, right? What would you find out – you may hear some of these stories out here. Sale people don't work on Friday. Well, I do my expenses and I do quotes and I do all my paperwork. So you're out of the field for a day doing this stuff. We changed our sales admin group such that different regions of the company had a sales advent person that was in home office in Bedford, Massachusetts the entire day.

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So if you are a sales rep and you have a customer that says, “I need a quote as soon as possible,” you don't have to go home and do it yourself on your computer and print it out and take it to them. You simply call home office. You have a person there that works for your region that does it for you, and they will email it to you, and then even email it to the customer if you approve of it that way, so it gives you more time in the field to call on more customers. This wasn't going on before. So we wanted to maximize the time you had with customers versus doing administrative things on your own. Because sales – it's a numbers game, right? How many feet do you have on the street? How can you get the message out? How many sales calls a week can you make?

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Through MD Byline – and if I'm rambling here, I apologize – but through Byline, they were able to tell us who purchased equipment on a quarterly basis. And there was a firm out there called NEMA, the National Electrical Manufacturers Association, that is able to tell you on a quarterly basis how many new mammography systems are purchased. And they will tell you regionally. They'll say Mid-Atlantic, for example. They're not going to say Philadelphia, but they'll say in the Mid-Atlantic, so many new systems were purchased during that time. And then they'll actually tell you how many of those were installed. So we had access to all this. So as we're doing a new forecast system that I put in, what we seem to hear was you look at the first quarter of Ben's sales.

And the manager says, "Ben did okay. Ben only sold two, but he didn't lose any. Ben was two for two. He got 100% of his business." And then you go look at these reports, and you found out that Ben sold two and there were 15 sold in this territory. So the message there is you're only playing in this small little environment. You're not reaching out to enough customers. So that was a challenge, too. But we tried to do that by driving compensation in that direction. Get out and see people that are using somebody else's equipment. Because your tendency is to go see people that you know or go see existing users. But if somebody's been a lifelong Siemens or GE customer, that's tough to get in the door.

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And I don't think people were doing that so much. So yeah, we designed a comp plan to drive motivation to go do those kinds of things, and then we also had their direct managers making sure they were out making enough sales calls a week with competitive equipment in that hospital. So these are some of the little things that we did that weren't happening before. I did away with a couple of things that didn't make sense to me. You asked the question about leasing before on your questions. A simple answer was for the most part, the magical number was \$350,000 dollars. A hospital looked at that and said 350 or less is a capital purchase. 350 or more is an operational purchase. Meaning if you're buying a \$75,000 dollar analog mammo system, you buy it with hospital funds, with cash. If you're buying a \$1.6 million dollar 1.5 Tesla magnet, those are leased.

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But when we got into the world of digital mammo, we saw systems becoming leased because the prices were getting up there. And especially with tomo. So we had to be careful with that one too because the number one leasing arm in all of medical equipment was General Electric. And the worst thing you could have is to have a hospital buy a piece of your equipment and have GE finance it. Because all of a sudden when they want to upgrade that equipment to buy somebody else, GE's holding the paper on it and they have an economic advantage over you. So we had to come up with our own financing arm. And we used the US bank corp and a few other, smaller financiers to go out and attack. Because yeah, GE's finance arm was amazing.

There was a joke for a while that said GE's in the financing business, and then they happen to put medical equipment out there. So we had to be real careful with that. But the Hologic folks that were selling bone densitometry had direct relationships with some local finance companies. And so, what it got them though was a spiff. Hey, I'll give you an American Express card worth \$500 bucks if you can get me a system that's financed. And that was bad medicine because if I'm talking to a customer and I'm trying to drive it into financing because I get extra money, I eliminated that immediately and said that any spiff of sorts to our sales force has to come directly from us.

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So if there's a leasing company that says, "Hey, I want to give Ben \$500 bucks if he leases with me," if we agree to that, that money comes through Hologic. It does not go direct. Because what I was hearing afterwards – "Yeah, I was shying away from you guys because you insisted I finance it." No we didn't. We shouldn't have, anyway. And then the other thing that was a disaster was we had an internal lead spiff. So I would pay you if you gave me a lead in my territory. So if you're in Philadelphia and I'm in Nashville, and you give me a call and say, "Hey John, so and so's looking to buy a system. Here's the information on it," I registered the lead with our home office, and the deal goes down. You get \$500 bucks. That's probably a good deal, right?

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What we were finding out is we were well over \$100,000 dollars a year on leads. And I think what was happening was you and I were buddies, and I would say, “Hey Ben, I got one going down here. So I'm picking it up Friday. If you send me the lead information on Tuesday, you'll get \$500 bucks for it, and then you feed me one.” So there was all of this internal stuff going on. It was called compensation, and it was ugly and we had to get rid of the whole thing. So, new comp plan, new forecast. Car allowance, you name it. And I came out with a model that then said we're going to go with 36 account managers in the US in three regions. So you have three regional managers. And then we had six – what we called women's health specialists. And this was kind of a takeoff on my old job when I was an MRI specialist.

These are the people that clinically know mammo better than anyone. And one of the key ingredients in purchasing capital equipment, especially when we go into digital, was a site visit, right? Okay, I'm looking to buy one. I'd like to see one of these in operation. Oh, okay. So we can – we'll take you to Hershey and we'll show you how one works there. And we needed to have somebody that could be the hero on these site visits. These jobs had to be females because when you'd go to see an actual clinical site and you're watching a mammography exam being done, you can't have a guy be in the room. So we had six women's health specialists that handled all of our site visits, and they went out and did technical presentations when customers were interested in the product.

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But they were our sales experts. And they were amazing at what they did. If you think about it, you think you're the purchaser and you've got an account manager there, a sales guy, and you think of a sales guy as if I buy something, he's going to make a commission – and then you've got a clinical expert that's there that's going to talk to you about the equipment, how it's used, how the procedures are done, all the rest, there really is that level of trust in that person if you do everything correctly. I mean, that person was making a commission, too. They just didn't know it. But I know when I was an MR rep, there were times when I would get a call from a customer saying, “Can you come by and see me by yourself? I don't need the sales guy to be here.” But hey, I was the sales guy.

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But I was at a different level of expertise. So we put six of those ladies in, and they did just a marvelous job. And that really gave us the advantage then over some of our competitors because all of a sudden, we were focused on what we were doing. We had specialists that were out there helping us with site visits, et cetera. And so we put this new organization together which basically was a culture change. I remember getting a job and Jack said to me, "I'm going to give you a title of senior vice president, but really your unofficial title is change agent. I want things agent. I want a new culture. I want a culture of success. And so, do your best to put that in order." So I mentioned the comp plan. And a little thing that I did just beyond the compensation was each year at Hologic, and with Trex, there are sales awards, right?

Top three people, top five people, you get an award. And typically, the top people get money, right? So you're giving your highest earners a little more money. And that's how it works in a lot of companies. So the first year that I was in charge, I did just that. We had the top five salespeople. Women's health company. I have a very good friend in a relationship with a gentleman in Venice, Italy that is in the Murano glass industry. I don't know if you know the beautiful glass that's all handmade and comes from Venice. And I was visiting with him and we were talking about how glass is made and all that, and ask if he might be willing to sell us some glass that we could honor our top salespeople.

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And they put the little – you know the pink ribbon that's used for breast cancer? Yeah, so the glass maker was – they would've put the little pink ribbon on these gorgeous glass vases that they made. So in year two, in front of the entire sales force, we had the top five performers come up. They each got a check in an envelope, and they each got one of these gorgeous vases. And the vase was the hit of the award show. Everybody liked them. Everybody wanted one. So then we really had some fun. And I decided that we were going to reward people with something more than just money. Because money is good to get, but if you're a top performer, you're making a lot of money at Hologic. So I had a few meetings with Glenn [01:15:08] who was our CFO and told him that what I wanted to do was to parlay this glass vase into a program the next year.

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And the program was this: we're going to set the bar awfully high with a certain amount of sales. If you achieve it – and there's no maximum or minimum or who's going to – if you achieve that number, you will win a trip for you and a significant other to Venice, Italy to pick up a glass vase. And it's a three day trip. One day of it, you're with Hologic people. The other two days, you're free on your own, and we even gave them \$1500 dollars in cash to go do whatever the heck they wanted as a reward. I remember the gripe about Siemens. If you won a trip with Siemens, you had to go away with Siemens people. Your husband or wife or whatever can't go with you. So we opened it up. You could bring somebody else if you wanted to do it. And I met with Glenn. And I think the number was set was if you did ten million dollars in certain categories and all. But a total of ten million. If you hit the ten mill number, you and someone else gets to go to Venice. And you can pick up your glassware right there at the factory.

And Glenn thought about it for a long time and Glenn came to me playing devil's advocate and said, "Look, I have a feeling that of your 36 reps, probably five will hit ten million." He said, "My fear is though, if it's not a good year and we're three quarters of the way through the year and nobody's close to that, people will feel defeated and they'll probably just hold back orders or whatever," so it'll be seen as a negative rather than a positive because yeah, great, you can win the trip, but nobody's really winning it because you set your number too high. So Glenn and I had a personal bet at that point by me telling him that I thought at least ten people would hit ten million if we offered the trip. If that happened, he was supposed to fly to Venice and stand on a table at the dinner banquet and congratulate everybody and say, "I bet against you guys."

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So we initiate the program from day one of the year. We let family members know. This was wonderful. We had a rep in St. Louis, a very successful gentleman. His wife found out that if he sold a certain amount for the year, she could go to Venice with him. When she found out about this, he said he came home one night. His wife has pictures of Venice taped to the doors in the house. He said there was a bathroom that he used. He closed the door. There's a picture of Venice in there. Her saying, "You better hit this number, because we're going to go." So there

was motivation from every standpoint. Twenty-four of the 36 account managers beat ten million dollars. We blew out our number that year. And that was the start of what we then called The President's Club. And great trips that you can take.

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First year was Venice. Second year was Paris. And what I realized that was high earners like money. And they were making that on their incomes. But this trip that they got at the end of the year was one that meant a lot of them to their pride. They're able to take somebody with them. And it's a little bit of a vacation in all too, if you want to see it that way as a reward. So we instigated that, and it was amazing how the numbers took off. And everybody was very well aware of where they stood, what they needed to do to get there. That was good. So the other big change we made was with all the sales meetings we had. Previous sales meetings was let's get together for a day and a half and Pekarsky will talk about the development of the new system.

And we're going to bring in a medical physicist and he's going to update us on this. It was a yawning meeting, you know? You'd break away for lunch and you'd get a lot of coffee and that stuff. So we totally changed the meetings. We came up with a theme for each one. First year, our theme for all of sales was the power of one. And we talked about everything they got, all the stationery, all the inner office stuff said the power of one on it.

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The power that you have to be successful. How you can impact so many things with customers. There's so many things you could play off of it. Year one we did the power of one. Year two, we did the theme "simply the best." And at our sales meeting, we hired a Tina Turner lookalike. She had won the – Oprah Winfrey had a contest on her show to see who could imitate Tina Turner the best. This lady won the award. So we hired her to come to our meeting and perform – when she came on, everybody thought it was actually Tina Turner. But the meetings became fun. They were very, very productive. People were alert. Everybody was involved. There was a theme. Year three was pursuing excellence, so everything that came out was all about excellence. And the awards and the way the compensation was set, et cetera.

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So we had, for the most part, a new group of people. Everybody was talking to everybody else in the company. It was the kind of culture that – it was infectious. And then the other thing that I saw happening was if I would speak to customers or go out and see customers for whatever reason, I would hear certain customers say, “You know John, your rep was in here last week. And I heard about your national sales meeting. And I think it’s phenomenal what you’re doing and how you’re doing it. And any company that cares for their reps that way – I think it’s infectious then that you’re going to care for us, the customer that way.” And if you remember our first conversation when I told you that at the RSNA – I know that was one of your questions – the Hologic booth was kind of like a family.

You’d get company. People would come and visit. And I think this was part of the whole approach of we want you to be a customer for life. Every now and then, you’re going to buy something. We hope to get that order. But people didn’t come to your booth because they were looking to buy. They came to your booth because they were your customer. Unlike when I was at Siemens. Everybody came to that booth, it’s like, “I’m going to buy a widget and you better tell me why I want to buy it from you,” and all. There was just so much of this camaraderie, I guess, and us proud that they were our customers and them glad to see us.

[01:22:30]

And it was really an organization-wide thing that took place. I’m not saying this was just all sales. I know you talked to Georgia. I think Georgia [01:22:40]. I mean, her applications people kind of changed the whole culture of that. The whole organization took on this approach of this kind of culture. And I remember a rep once saying to me, “You know, John, there are jobs. There are careers, and there are passions. And Hologic, for us, is a passion.” And I think that’s probably the best compliment we could’ve gotten. In my own situation – I know you asked a question about – I’m not sure what it is exactly. But I remember my wife telling me, or telling the kids that “Your dad usually leaves on a Monday and he comes home on a Friday night. And for years, he would come in on a Friday night and he was just exhausted. He seemed beaten. He lost a lot of orders that week. Things didn’t go very well. The Hologic experience though,” she

would say to the kids, “You know what? Your dad still comes home on a Friday night and he is exhausted.

[01:23:50]

But watch him. He's accomplished. You can see that he's satisfied. He's successful in what's going on and what he's doing.” And I think that was an experience all of us at Hologic had. There was a swagger that we had because of just how things worked. And the nice part was anybody in the company can call anybody else and seek help or advice and whatever, and it happened. I mentioned Jack Cumming. I know you haven't spoken to Jack yet. But Jack was a guy – his phone rang 24/7. Probably because he didn't sleep. But if a sales rep called and said, “I need help with this. Can you call the CEO of this hospital?” he would do it. Jack would jump on a plane. Anything it took to move forward this whole culture that Hologic had started. Everybody was on board with it.

Jay Stein. I saw the written narrative of you talking to Jay. You couldn't want a better founder. You couldn't want a better scientist. And personally, Jay was intrigued with selling. And Jay came to every one of our sales meetings. He was such a great support for our company because he enjoyed the art of selling. And Jack at least for me personally – Jack was my biggest critic, but Jack was my biggest fan. And I appreciated both from him. And that's the kind of company that we had.

[01:25:33]

Now – and I know I'm probably bouncing all over here – but we then started making acquisitions because you don't go from – what was it, 41 million I guess when I became part of Hologic to – what is it, 2.6 or 2.7 billion in revenue when I left. So we had this culture. And this culture existed for – I don't know, four or five years when we were the mammo bone density culture. And then we started making acquisitions. And then what we saw with the companies we acquired was a blending of cultures. And I think that was probably the best approach because a lot of the folks that we acquired appreciated the success that we had. But the culture was a blend. And then you acquire somebody else and it becomes more of a blend.

[01:26:30]

And I'm not saying that's bad. But that small company family-like atmosphere that we had – the family got really, really big. And look at where they are today. It's enormous. So I guess I need to refocus where I am here. Like I said, I was just going on the fly.

Q: No, that's fine. I am perfectly happy to jump through a list. I mean, depending on where the conversation goes, if that means even throwing out the list and going with what's more interesting, we can do that too.

A: Okay. But yeah, like I said, I took some notes here and there were some things that I really wanted to touch upon with you. Yeah, here. What was it like working for a company that was growing as rapidly as Hologic in those days? I think I touched on part of that. And the successes that we had just led to greater successes. It was exciting. It was challenging for everybody. We had a team in every aspect of our business - I can speak for sales – that was competitive even among one another. But it was exciting. It was energizing. I saw sales reps that said, “Look, I'm going to be honest with you. When I worked for so and so and I was just getting started, I was probably putting in 40 hours a week. I'm putting in 60 hours a week right now and I'm having more fun than you can imagine.” So I think that was part of the passion of what they all believed.

[01:28:16]

We had a conversation at a sales meeting once about, what do you do Friday afternoon? You're a sales guy, right? What do you do on a Friday afternoon? You can knock off. You've done everything you've done, right? And we had one of the guys stand up and he said, “I'm speaking for myself as a guy. And I remember when I was a boy and I would get home from school. I would go out and shoot basketball. And my mother would come out and open the door and say, ‘Hey, dinner's ready in two minutes.’” And he said, “You know what I did?” No, what did you do?” He said, “I want everybody to hear this. When I knew the dinner was ready, I had to make a shot before I went in the house. I couldn't go in the house on a missed shot.” He said, “That's how I look at Friday afternoons. So if I'm thinking I'm going to knock off early, have lunch and all I'll do whatever,” he goes, “No, no. You've got to make a shot. You've got to do something

that makes you feel good going into the weekend. Because if you don't, you're a little bit hollow. You'll say oh, god. I played hooky for a couple hours on Friday.

[01:29:28]

So make that shot on a Friday afternoon. And then you enjoy the weekend because minimally, you know you did it." So that actually became something that I would see being passed around via email or whatever. Seven o'clock east coast time – central time here – I would see something come in from the west coast on a Friday afternoon. I made my shot before I ended the day. I called so and so and I picked up a purchase order. That kind of thing. So, people were committed. People were working hard. And numbers – mammo. I told you we went from 11% market share in the United States to 71% when the bunch of us retired. Oh, I know what I wanted to tell you. You ask how do you sell medical equipment. I know one of the things I learned early on in selling was the phrase, "Selling only begins when the customer says no."

So how do you sell medical equipment? If I've had you as a customer for a long time and you believe in me and you trust in me, and you call me and say, "Hey look, I know you're selling this new item. Your company has this new item and I want to buy three of them," did I really sell you one? I'm being a bit technical here. But the term selling only begins when a customer says no. So if you say, "I'm sorry, I can't buy from you today," that's when you start selling.

[01:31:07]

You ask a question on here about what do you do if you're trying to sell an MRI and the customer is hesitant. What do you do at that point? Well, you ask him why. There's this thing about – if the customer isn't signing, then you're asking for the order. You probably heard – everybody's closing all the time. You want to close the deal. And what you get then are objections. Ben, if I can give you the price you're looking for today, will you place the order? "You know John, I don't know if I can really do that today." Okay, what's the objection? If you can get to the bottom of the objection and hope that your customer is being honest with you, that's a big part of selling. So you're always closing. And you get objections. Are they real objections or are they perceived objections?

[01:32:08]

A lot of time in selling, it hurts. Somebody's working you for a good price because they want to buy somebody else, and they want to put your price in front of them and say, "Look what Hologic's giving me," to try to use it as a negotiating tool or whatever. So you're always asking questions. You're hoping for honest answers. And the other key is when a customer says, "I'm ready to order," you shut up. So many people that are told by the customer, "Okay, I'm ready to go," and then they continue selling. You don't need to at that point. They're sold. Get the order, get out. But I think when you have a respectful relationship, it's okay to ask those questions in a respectful way. And customers will tell you what they believe. So it's not like the used car salesman. This is a consultative approach that is very respectful in a way customers deal with salespeople and vice versa. It should be.

Oh, I know. You asked about different parts of the company working together. Were there geographic challenges? And companies located in Massachusetts, Connecticut, Delaware. And the answer to that was not really. Because this new culture that overwhelmed the company made sure that while you were in an office that was physically located differently from me, there was still a culture that existed. There were calls. So if we had three HR departments, they acted as one.

[01:34:05]

The thing I wanted to tell you about me and Culley and [01:34:07] and all the people that didn't live at home office was that we probably had the best relationships of anybody. Because you know home office people – they show up in the morning, they go home at five o'clock at night. We were the ones that when we were in home office together, you're in a hotel room. You had dinner. Jack Cumming always used to tell us that we have meetings to conduct business, and we get a lot done. But the real business is done when you guys go out at night and have dinner together. Or when you're in the hallways and you're not in a formal meeting. And we used to get an awful lot done that way. And you get a lot of mentoring and ideas and all that. So Jim being in marketing, me being in sales, it was great to talk about my ideas for selling and how he could market it and vice versa. And a lot of that was done when you go have dinner with Culley at

night. So I think we had a really tight knit group of senior people because you spend so many hours together with one another.

[01:35:27]

Oh, here's one. During your days at Hologic, what was the difference between a good day at work and a bad day? A bad day at work was when there were surprises. We liked to think that we covered as much as possible when it came to no surprises, right? Surprises usually aren't good things because there's some good surprises, but there are a lot of bad surprises. So if you're really doing your job and you're on top of things, you don't want surprises. So a good day for me at work was no surprises. And what kept me up at night were surprises. The things that you didn't anticipate that are either bad or went wrong or whatever else – and those are the things you have to think through after the fact rather than beforehand in an attempt to prevent them. So, one of the things that we did at the senior staff quite a bit was you play devil's advocate with things.

You show up with a great idea, you think. And if I think it's a great idea too, I still play devil's advocate. Jack Cumming and the relationship that I had with him – we would go to dinner together at times. You weren't allowed to order a drink or get any food until you talked a little bit of business. And that was usually ten minutes max. And that was when all the questions he would always ask me – what keeps you up at night?

[01:36:58]

And I would tell him. If something had to be changed, we would change it on the spot. But if I had an idea to pitch to Jack, you do it at dinner. “Jack, I think it'd be great if we could do A, B, C here. What do you think? Can you support me on that?” And if he knew there was going to be some pushback from folks about it, he would never agree to it. And he would say, “I don't know if that's going to work, John. What do you think?” And I would push and push and sell and sell to get my idea through. It wouldn't work. He would always ask though, “When are you leaving?” I'm leaving. I got a flight at three o'clock tomorrow. “Oh, okay. Hold off on that idea though. I'm not sure that's going to work.” And Jack was always the early morning guy. Five o'clock, he was in his office in the morning. So Jack knew if I was going to be there that day, if I

showed up at five till five waiting for him saying, “Jack, I got to talk to you about that idea,” he would just laugh and say, “Do it.”

[01:38:02]

What do you mean, do it? He'd say, “I love your idea.” Then why did you say no last night? He said, “Because if I say no to you and you didn't come back and try and sell it to me, you didn't really believe in it. So if you're here now and you're fighting me on it again, do it.” And that was one of the ways Jack worked with me to get things done. And I appreciated that because he'd make me jump through every hoop in the world to tell him why it would be successful ahead of time. And then he liked working with me on the ideas and pushing things through. Jack also believed in empowerment, which was great. Because if there were certain things that need to be done within the organization and I had talked to Jack about it, he walked me through the office the day I became the senior vice president.

We went to accounting and we went here and all the rest. And Jack said, “This is John. If you don't know who John is, he's our new senior vice president of sales. And right now, he is me. So John comes to you and says I have spoken to Jack, and Jack agrees with this. Do it. You don't need to come to me and say, ‘Jack, do you agree with this?’ If John and I come to that agreement, I trust him. You need to trust him. If he says Jack approved it, do it.” Wow. That was powerful.

[01:39:37]

We did a lot of things that way. And you can make a lot of changes in a company like that rather than having to go through different layers and whatnot. That was the nimbleness we had I think as a corporation. We empowered the local reps, the regional managers even on pricing discounts, things like that. Where other companies I worked for, there was none of that. So we did everything we could to enhance the customer experience.

You asked why salespeople work in the same technology or equipment, but why might they change companies? That is a really, really good question. I think in some cases, it's to progress in their career. You could be successful. If there's not the opportunity in the company to progress

when you're wanting to progress or you feel like you're ready to, you leave and go to another company.

[01:40:49]

And unfortunately, that happens quite a bit. I think another one is if the culture of the company has changed or you don't see it as a culture that you're being successful in at that point, you'll look somewhere else. But remember now, this is all based on that theory that you have customers and you have a customer relationship. So if I go from company A to B to C and I still have those customer relationships, that's the value you have in selling. I think another move is when you're not doing well – I know at Hologic when salespeople weren't doing well and we worked with them to improve on performance and it wasn't happening, I had two letters that I wrote. The first letter was the very kind, "Dear Ben, we think you're probably not real happy with your performance and you're not real pleased with the amount of income you have. We feel the same way. We'd like to work with you." Basically, you put them on a plan. It's the – we want to help you become more successful.

We also had that second one that said, "If you don't do A, B, and C within 30 days, I'm afraid there's going to be a termination," and that's when people leave the company. Because in sales, you're always trying to keep your top performers there. You asked the question about – let's see here. Oh, turnover rate. We had among the imaging companies – and the lady at the head of HR told me this – we had in our sales force the lowest turnover three, four years in a row. And I thought that was a great thing.

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Other companies, they say, well, if you do that curve and you say you keep your top ten percent, you get rid of your bottom ten percent, you get rid of these folks and all and you're looking at sheer numbers, that's how you work with your sales force. We had the lowest turnover rate. And I think it was because we were just doing so well. We were so successful. Our performance, our market share in territories was just off the charts. And we didn't have turnover. The turnover we had was if we got rid of somebody, and that was not very often. I heard a story one year at

RSNA that one of our reps was – I don't know, struggling a bit with some things and she was talking with a few other of our Hologic reps.

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And says, “You know, things don't get better here and I don't make more money and whatever. I'm just thinking about leaving.” And one of the other reps got up in her face and said, “You better be really, really careful. Because if you look around RSNA right now, if you even hint that you're going to leave this company, there's six to eight people that'll be in this booth interviewing for your job before you make it out of the convention center.” So that was what you heard from the folks even among the group. You asked about RSNA, too. Here I am bouncing around again. I can tell you this, and I don't know if this is good or bad. But I calculated the other day right here that I spent about one year of my life in McCormick Place Convention Center in Chicago attending RSNA. I think it was 357 days I was at RSNA.

So like I said, I don't know if that's a good thing or a bad thing. But that trade show was the be all, end all. And once again, if you're not taking advantage of talking to just about everybody you can at that show, I don't know why you go. I used to watch people – “I only want to work a couple of days at RSNA and then I want to go shopping or do this.” All of your customers are there. This is the greatest chance to see everybody and tell your story.

[01:45:18]

So yeah, I was close to one year in McCormick Place attending RSNA. And I know others were, too. All the people that I mentioned. But that was the preeminent show. But you asked also – there were other companies, or other memberships we had. And especially with the mammo world. There were three or four that were very specific that had annual meetings. And you'd have a little booth that way. Another big show for us was the AHRA, the American Hospital Radiology Administrators annual meeting. And that was another, I think, four day event. But you had all the radiology managers from hospitals from all over the US attend this. With speakers and all. And while these people were maybe not the total decision maker in deals, they were major influencers.

[01:46:18]

Another question you asked about decision makers. When I got in the business, MRIs – let's say, '80's to early '90's, physicians made the decision. We need to buy an MRI in 1985. The doctor said, "I want this vendor," and then the hospital figured out, how do you pay for it? Because this is what they want. That all changed. And it changed probably in the '90's to where the physicians were still very, very influential in how the deal goes. But all of a sudden, it became much more of an economic purchase. And that's where leasing came in and you're dealing with the CFO, or sometimes the CEO of a hospital because they were the economic decision makers. And the doctors, as I said, could influence. So that part did change. And I think the other big change that happened in the industry was when healthcare in America went from fee for service to managed care.

And what that meant in the world of radiology was fee for service – I have a CAT scanner. I do a CAT scan study. I can charge \$1000 dollars per study. Okay, from a revenue standpoint, if I do ten a day, that's \$10,000 dollars. If I do 15 a day, that's \$15,000 dollars. We were selling equipment based on how many patients you could put through in an eight, ten hour day because that was revenue for the hospital.

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When the insurers changed from fee for scan, reimbursed the same amount for each scan to managed care, managed care basically said, "I am going to buy services from you to cover the people that work in my organization." I think that was a question you had on there. Oh, how the insurers handled things. So in other words, if you own a business and you have 1000 employees, you can go to an insurer. And the insurer says, "Well, we'll insure your people," and then they go to a facility and they say, "We want to buy radiology services for these 1000 employees for one year, and we'll give you X amount of dollars." So all of a sudden, if you're the clinical provider, you don't want to do a CT on everybody that walks in because it's costing you and you're only getting X amount for an entire year on that patient. So we saw a total swing in how equipment was purchased, how insurance paid. I spent a week at Mayo Clinic years ago just to study how they did things. Ben, it was fascinating.

[01:49:23]

They did a study on back pain, lower back pain. And they talked about spring time, where we are right now. And they looked at the different forms of insurance. And that actually determined how they dealt with patients. So in other words, if you were a private pay patient – so you're going to walk in and you're going to write a check for whatever service they provide. And you say, “Hi, my name is Ben and my back hurts.” They say, “Come on in today. We’ll do an MR, we’ll do a CT, we’ll do a total workup, and you're going to write us the check,” right?

If it was a fee for scan patient – because you know, it took a while to go from one to the other – they said, “Well, we can get you in here probably in four to five days.” If you were a managed care patient and they thought that perhaps what happened was you went out and worked in the yard over the weekend because it’s spring and you got a little soreness in your back but it’s going to go away for two, three days on its day, they would say, “You know what Ben? Start taking two aspirin every four hours. And if you still have this back pain, call us in a week. Because right now, we’re full up.” And typically what happened was your pain went away because it was just a minor thing, they didn’t have to do the MRI on you. So from a managed care standpoint, it saved them money. And I think that was the juggling act that hospitals had to do back when when you were going from one to the other.

[01:51:06]

You mentioned the deal with government agencies. Yes, FDA, yeah. I’d go to FDA hearings. Go to presentations all the time when you have a new product. The nice part about FDA is it’s always nice to be a very close second. Because if you're number one, you're getting hammered all the time before you're going to get approval. But one of the, I guess, bylaws of the FDA is once a product is approved, any competitive products usually pass through a lot quicker because they don’t want to create a monopoly by saying that only one person is approved and it’s going to take this next person a year or so. So that was always the fun part, and we used to laugh about GE – always wanted GE to be first. They'd get through FDA, and then you always wanted to be a close second to GE with many of those things. But yes, I attended many FDA hearings and they were very technical and a lot of questions.

[01:52:13]

We did at Hologic have to deal with the federal trade commission, which involved all of senior management. Because we sold a biopsy table that we used for breast biopsies. And we had a competitor that actually quit manufacturing. So we bought their intellectual property rights because we thought maybe it would change some of the ways we did our technology. And an unknown competitor of ours out there somewhere contacted the federal trade commission and said, “Hey, these guys are creating a monopoly now. They're the only game in town.” And the suggestion was that we were price gouging because of that.

So I spent, I think, three days – almost spent two days in front of federal trade commission panels showing evidence that our prices remained basically the same from the time before we acquired the competitors’ knowledge and after. And that was just painstaking, my gosh. They wear you out with that kind of stuff. But most companies now at least have a department within the organization that does all the FDA stuff. So they're good at that. They have their relations and all. But yeah, having to deal with some of those is very, very involved. I have a lot of respect for the people on the other end.

[01:53:58]

Oh, and the question about dealing with insurance companies. I've dealt with insurance companies where they would contact us to find out about new products that might be coming out just to be a step ahead of what they might have to start reimbursing or paying for. But the other thing was if you look at all the HMOs – Kaiser Permanente, great example. They are an insurer and a provider. And they're huge out in the west coast, especially in California. So they're pretty good at really understanding the whole realm of how insurance and the clinical aspect of it worked because they do both. In fact, a good story for us at the new Hologic was we got the new organization in place. I mentioned for-profit hospitals and selling to corporate offices. Kaiser has a sole source contract for all of their products. And it is. It's 100% sole source. Three year contract, Ben. You win the award for three years. Whenever I need a product that you sell that meets my needs, I will buy it from you. So mammography, Kaiser. For, I think, 15 years previous, it was either GE or Siemens.

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Jack [01:55:37] and myself hear that Kaiser is going up for bid. Fortunately for me, I knew all the kinds of folks. I lived in San Francisco. Kaiser's home office is in Berkeley, California. So I had worked with them. Got to know them face to face, all that. So what happened – Siemens had had the contract. They send out a technical person and a local rep. GE sends out a technical person and a local rep. We go on in with the CEO and two senior vice presidents. And not only did we sell our product and the advantages that we had clinically, but we each put our cell phone number on the back of our business card and told them that what you will get from us, which is what you got today, is attention through senior management if you ever have a need to speak with us. And two days later, they called and said, "You got it. You got a sole source contract." Year one of the contract, we got 186 units ordered from Kaiser, which had it not happened, who knows?

The manufacturing people – they thought it was Christmas. This was wonderful. It goes to show the power of working with some of these organizations. And then ultimately – I don't know about today, but I know for 16 years, that contract was renewed. And we were sole source in mammography for Kaiser Permanente for 16 years, and that was fun. Analog converted to digital converted to tomo. Just a great story.

[01:57:22]

And I think the last time I was there before retirement, I was flattered when they said that Hologic was the poster child of a vendor that they had worked with because that was the longest running contract they had with any vendor for a product. So we worked with HMOs. We worked with anybody in any way. And I do want to mention national accounts because I told you about – that was my background. Hologic had no national accounts program. We were able to also put together sole source agreements with a couple of the for-profit hospitals. One here in Nashville called Community Health Systems. I think they owned like 430 hospitals in America. If one of their hospitals gets permission to buy a mammo system, it's automatically Hologic. And it's not only the equipment, but it is a four year extended service contract included in the price of that equipment.

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And that was 12 years I think we had that thing running. So those are great opportunities. You've locked out competition. If I say that there's 3800 hospitals in America and 400 of them now you're locked out of for five years because you got that business – oh, by the way, we got Kaiser. We did so much business top down that way that it was just wonderful. And the door was closed on our competition in those. And hey, when I was with Siemens, I was on the other end of that too many times. So it was great to go to Hologic and write the sole source deals that we had. And that was the organizational team approach. We would go to these meetings and we would bring in the head of service.

We'd bring Jay Stein if they wanted it. And like I said, in most cases what you saw from the competition was they would bring in a technical person to talk clinically about how mammo works and then a sales rep. So we brought in all the big guns because of course, this was part of our top 100 list. And that really helped us with market share. Oh, here's one. What was the hardest thing I ever had to sell and the easiest? When I was in the MR world, a big part of MRI was service. And you're going to spend, early on, two million dollars for a piece of equipment. And it needed servicing, at least on a monthly basis. Maintenance and all the rest of them. And you had these virgin markets.

[02:00:17]

There were none in certain states. Service became big. But you didn't hire a service engineer if you didn't sell the equipment. So for example, I made – I don't know – a half dozen or so trips to Alaska trying to sell MR. And then GE sold the first one up there in Anchorage. And they put a service engineer in with it. And everybody loved the service engineer. So the next domino falls in Alaska. And what am I hearing? "I think I'm going to go GE. They have a great service engineer. You don't have a service engineer here, do you?" No, but if you place this order, we would train and put one there. "Yeah, but they already have a guy here. He's experienced. He's great." Those were the hardest sales I ever had because I never won any of them because in that case, it was the service that really led to the sale. But contrary to that, I sold the first MRI in Hawaii.

[02:01:25]

And so, I think when I left as an MR specialist, we had eight or nine MRs in Hawaii. Nobody else had any. And as I thought back, I thought, it's probably nicer to go to Hawaii on a regular basis than Alaska. But those were the difficult sales, was when service was so critical as a support for the equipment. Typically, first one in really had an advantage on everybody else. It didn't matter what you did. Especially if a state would wind up with, say, ten or 12 MRs, and the first two or three go to one vendor, it usually just all rolls that way. You asked, did I have a typical career arc. And I guess I did. Because I carried a bag for a while as a salesman, and then sales management. I worked for a big company, a small company. My goal all along was to end up somewhere in senior management if possible. So for me, that arc was great.

I think the experience I had got me there. I wasn't going to get there if I didn't have the experience I had. And one of the reasons – and I used to tell Jack this all the time – was I lost more deals than anybody ever met. But the key was I worked as many deals as I could. So many sales reps, they'll sit there and say I have ten opportunities. I have a really good chance of getting four of them. I'm not going to waste my time on the other six. I'm going to bring home these four and that's going to give me a nice paycheck.

[02:03:26]

I tried to work as many as I could. I got to know a lot of people that way. And as I said, as long as you're going in and making a customer on it – you may not make the sale, but you have a customer. So when something else comes up, you can go on in and you have that relationship already. You didn't get the MRI, but there were so many cases where I got the mammo or I got something else because I had known those people from a previous dealing. But one thing that I would tell anybody about the sales arc, I guess, if we're calling it a typical career arc is as you move up in an organization, the organization owns more of you. And I'm talking about life. When I was a sales rep out in San Francisco, maybe 20% of my life was owned by Siemens because I had certain responsibilities I did and all the rest. I think when I ended up at Hologic, it was probably more like 80%. And that was my choice. But I think I gave up some on the family side because I was so committed to making things work on the professional side.

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But fortunately for me, I have a great wife and kids that understood. But I think that's one of the things that you see might get in people's ways. You can get a heck of a lot of money being a successful salesperson, for example. You get into sales management, it takes a lot of your time. And I can tell you this – when I was at Hologic, there were years that salespeople made more money than I did because they would have just a dynamite year. And all the numbers would align and they would have a really nice income for the year. But I was doing what I wanted to do, and that was the success that I enjoyed. In fact, there was another one along those lines too, I think. Yeah, in what ways qualifications and background one would need to start the career as I did.

Yeah, I think they would need to probably follow the same path that I did. And I think I had a really well rounded approach in going from the strategic part to tactical part, selling technically then selling in the national accounts, which was to the big time deals going after it that way. But once again, I think experience at all this is a necessity. I didn't like hiring people that weren't successful at doing what the job was they were interviewing for. And I know a lot of companies will train you and push you through. And that's great.

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But at Hologic, we didn't have that luxury at times. We were just going and blowing every day. And it was difficult to hire somebody and say we're going to train you for three months, and then maybe after nine months, you can do the job. And then you wanted – what advice would I give someone looking to replicate my career today? I think the first one is if it's your passion, follow it. It was mine obviously, and that's what I wanted to do. And I don't look back. It was wonderful. As I said though, you do give up an awful lot to want to progress in the organization. Especially your percentage of your life that is yours. And in my case, as with others at Hologic, there was traveling involved in everything. It's kind of scary when you go to certain cities and you check into a hotel and they know you by name, and they can tell you how many times you stayed there in the last year and the room that you stayed in and all that kind of stuff. And you realize, god, I spent a year of my life in Chicago in the convention center. And I had more Marriott nights than you could imagine.

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And you give up a lot to do it that way. And the issue with sales is you live a 13 week life. Everything is judged, in capital sales at least, in quarters. You're going to have an annual quota, but you're going to look at where you are quarterly. And especially working for a publically held company like Hologic, we had to announce our numbers quarterly. So for 13 weeks, you got to run like heck. And if you get hit in your number by the end of that quarter, you start all over again at zero the next day. So there's little time to celebrate. So, 13 week lives. In fact, my daughter – I guess when she was in high school and college – if she's going to ask for anything, she always hinted around, “What kind of quarter are you having, Dad?” If it was a good quarter, it was a good time in the house. Unfortunately, most of them were. But that’s the other part.

Your 13 week life. And the other thing is look at the culture of the company and see if that’s the kind of culture you would thrive on. I have reps that used to work at Hologic that'll call me and say, “Hey, I'm interviewing with so and so now. What kind of question should I ask them?” I said, ask them to explain the culture. You know what you’ve liked in companies. You know what you don’t like. Find out what their culture’s like. If it’s one you can be passionate about, great. If not, don’t waste your time. And I think those are the things you pursue. That’s what I did and that’s what got me there. So that’s the advice I’d give anybody. And I guess the last thing – have a couple of really good mentors.

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I can say that in my 30 some years of working there, there were four people that made a real big impact on my professional life. And I didn’t see it coming. It just worked that way. But you learn so much from them and you learn so much about yourself because of them. It’s great always to have a good mentor that you can talk to and they can speak honestly to you about things. And that’s a key. And there were a lot of those at Hologic. I always used to say to Jack, if anybody just took a look at his senior management staff as individuals, you could say, you know, these people are all impressive in their way. But we were all so different in so many ways. It was like he had this ability to draw these synergies. One plus one was four. He got the best out of all of us.

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And there were days we'd go in a room and lock the door and argue about everything. But when that door opened again, we were a team and everybody had everybody else's back. And that's kind of rare in big corporations. So how are we doing?

Q: We're doing great. By the way I'm counting because of what you've talked about, I say you've answered two or three questions, I'd say we covered nearly everything.

A: Yeah, that's what I was hoping. Like I said, when I looked at these, I thought oh, I can blend a bunch of these things together here to try to give you a sense of what it was. But I don't know – that's my narrative on all these things. It's a great business. I think I told you before that while it is a business and it's numbers and it's 13 weeks and it's Wall Street, the fact that it was still in the medical arena and that our goal was to save lives was what got you through a lot of times. Oh, I know. You ask a really, really good question here. And I did want to answer it. Okay, have you ever met someone who had cancer detected by one of the products you've sold? And the answer is yes, of course. And it's tough at times. Especially when I was in the business of PET scanners. Because diagnostically, a CT or an MR could identify a tumor.

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You do an MR and you've got a tumor, you have a form of cancer, whatever. But you probably heard that PET scans are used in the world of oncology because cancer is an ugly thing and cancer can move within the body that you're not aware of at times. And so, so often if you identify a cancer and therapeutically you believe that the cancer has been negated, you'll see a PET scan being done. And that is to determine, are you cancer free? And I mentioned Kaiser a lot. I sold a PET scanner to Kaiser. Northern California – it was in Sacramento. And it was where Kaiser, who was once again an HMO, a health management organization – if they thought that some sort of surgery, an expensive surgery - \$50,000 dollars or up – had to be performed because of some sort of cancer, they wanted to make sure that that would be successful and that your life would continue.

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And the reason they had a PET scanner was they wanted to do a whole body PET. So while you may have a cancer in, for example, your shoulder and that's what you think you're dealing with, you can do a PET scan and you can see, has that cancer moved? So if the cancer has moved from your shoulder to all other parts of your body, it doesn't make sense to perform surgery to remove this tumor when your chances of surviving are probably not much longer than two or three months. So every time I would go to the Sacramento site of Kaiser there to see the PET scans, you would see people walking in with hope. And they didn't know the result when they left. But we did because we could see what the results were. And it was a tough one.

It's the whole – then the question, if somebody gives you three months to live, what are you going to do? But I remember a young, 30 some guy architect came on in and he brought his wife in with him. And I was talking to him ahead of time. He was wondering how the procedure was going to work. I told him and all. He said, “Okay, good, good. I understand. Is it possible – my wife's out in the waiting area. Is it possible you could explain some of this to her? Because she's so nervous about what's going to happen, and I keep telling her everything's going to be fine and all.” Yeah, yeah.

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And you go out and you explain it all. And you're rooting for the guy, and his results come back. And he was lit up like a Christmas tree. He had cancer everywhere. And man, that was a sleepless night for me thinking his life is going to end soon when it should really just be starting. Newly married and all that kind of stuff. So yeah, that kind of stuff really, really hurts. But on the other hand, when you're able to detect something really, really early – and this was what we were the best at in Hologic in mammography – and you realize that early detection can ultimately save a life – and this was where Georgia's group was so great – it means a lot to see these survivors. Especially all the people who worked at hospitals or whatever that overcame breast cancer. Those were the ones in our booth all the time at the RSNA because we thought we did things well strategically at Hologic. But we had the best equipment. And the images were clearer than anybody else's.

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And we really, truly believed that we could detect things earlier. So that part's nice for saving a life that way. But yeah, there were other things that – you knew that somebody had no chance of life. And as I said, they walk in very hopeful that the results were going to show something different. So that's the emotion you get out of it. And I'm not selling Q-tips. You're selling this technology equipment that is either lifesaving or is going to tell you your life is short. But, really good questions that you have on here. And for the record, no, I did not tell Jim Culley to call it Stainmaster Carpet. When Jim called me and said that this was going to happen and he says, "I got some notoriety because I called the carpet the Stainmaster." And I said, "Well, did they believe that?" "Well yeah, of course. That's true and all." So I just want to go on record and say yeah, Jim really did say that. I'm trying to inject just a touch of humor.

Q: I mean, the normal way that I end any interview – is there anything that I didn't ask you that you really wish I had?

A: No. I think you were very, very comprehensive. If something does come up, I can send you a quick note or whatever here. But no, I think that – what, 37 questions on here – you hit the gamut. And I hope what you saw was that I went to work for a real successful – well, for a company that wanted to be successful. And there are very few companies like Hologic that went to low market share to being the market leader in every product we had, and stayed there for a long, long period of time.

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I think that's the one thing that I hear from industry people that I've known, is they say, "You know, it's remarkable you guys did what you did," but then to stay at the top. That's even better. And the nice part about so many little niche companies that became successful – they typically got acquired and then they become part of the big company mentality. And it's security I guess. But you look at the ultrasound, for example. There have been some great, tiny ultrasound companies that then Siemens or Phillips or GE acquires. And then all of a sudden, you've got the great technology, but you're part of the corporate structure of Siemens. And that nimbleness

you had, the way the company reacted – even R&D is affected by all of it. So what a pleasure that we were able to do what we did.

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Because there were rumors about people acquiring us every day, and we had to fight through this. But Jack Cumming, Jay Stein – what great leaders the company had. And they're still there today. Well, Jay is at least. And Jack's up in Colorado somewhere in the mountains hiding from COVID. So, I know what I'm going to ask you – where did you go to college?

Q: I went to college at – I did my undergrad at Kutztown University of Pennsylvania, which was about 20 minutes away from where I grew up. I actually lived at home, commuted. Was lucky enough to get out of there without any student debt. And then I did the same thing for my master's degree at Westchester University.

A: Okay, great. So you're a Philadelphia guy.

Q: Pretty much, yeah. Family lived in the same area from literally the 1700's.

A: Oh my. Okay. Wow, that's great. I grew up in my Italian grandparents' home. I told you my grandfather was a coal miner. And 37 years in the mine he worked. And then when the mine closed, they had all the houses that the miners lived in up for sale. And so, he bought one of the duplexes. These tiny little mining homes – grandparents and aunt and uncle on one side, and then my mom, my dad, my brother and I on the other. And my parents worked a couple jobs and weren't around much. So I basically spent my – how many years, first ten, 12 years with my Italian grandparents. And I wouldn't give that up for anything. That was great. Good old Pittsburgh.

Q: Let me kill the recording real quick. Thank you for sitting down and interviewing with me today. And I'll turn off the recording and we'll talk about what comes next.

[02:22:39]

A: Okay.

END OF INTERVIEW