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# German firm selects Spine Source as U.S. backbone

St. Louis Business Journal - by [Julia M. Johnson](#)

German spinal implant maker Ulrich Medical has established a U.S. subsidiary with the purchase of the assets of Chesterfield-based distributor **Spine Source**.

Based in Ulm, Germany, Ulrich has annual revenue of \$47 million and expects the new U.S. subsidiary to contribute about 10 percent to the company's revenue growth in the coming year. Ulrich makes spinal implants, mostly of titanium, as well as instruments used in spinal surgery and sells the products in more than 60 countries.

Merle Symes, CEO of **Ulrich Medical USA**, joined the company in January and is closing his St. Louis-based medical device consulting firm, The Provenance Group. Helmut Schoenhoeffer recently was named vice president of business development and marketing for Ulrich.

Symes said Spine Source had had a long relationship with Ulrich as one of its more successful distributors. Terms of Ulrich's purchase of Spine Source's assets, which was completed in January, were not disclosed. Spine Source's three employees joined Ulrich Medical USA.

Symes said the new local office will be looking for a new home, as Spine Source's 2,000-square-foot Chesterfield facility is not large enough to accommodate the growth Ulrich envisions. "We'll try to keep in the same area, mainly for the convenience of the staff," which currently numbers about five employees but is expected to grow quickly, he said.

Though Ulrich had no previous U.S. headquarters, it does have 250 sales representatives across the country. "We wanted to establish a base in the U.S. and bring in new products as fast as we can get

them approved by the **Food and Drug Administration**," Symes said.

He said spinal surgeries are on the rise because the population is aging and bone degeneration becomes more likely as people live longer. "In the past, patients had to suffer through the pain of conditions like arthritis and osteoporosis, but now we have better solutions."

Dr. Neill Wright, an associate professor of neurologic and orthopedic surgery at **Washington University School of Medicine**, is reviewing some of Ulrich's products and writing white papers on them for the company to use in promoting the products to hospitals and physicians. The products include an "expandable cage" implant used to replace diseased bone in the spine, and a pedicle screw that binds hardware to aging or deteriorating bone.

Wright said the latter product is especially useful in patients with fragile, porous bones due to cancer or osteoporosis. He has used the implants and screws in surgeries and said they can cost between \$500 and \$750 each.

Symes said Ulrich chose to stay in St. Louis after the Spine Source deal because the metro area has several large health systems and research institutions as well as a large pool of experienced medical employees.

Its main activities in the Chesterfield office will be sales and logistics. Ulrich often has to overnight implants and instruments to trauma surgeons nationwide, and having a base in St. Louis will allow those functions to be centrally located, Symes said.

Ulrich Medical as a whole employs 200 people aside from its sales representatives. It is owned by the family of Heinrich Ulrich, its current president. Its competitors include Medtronic, Johnson & Johnson, Stryker and Zimmer Inc.

Tom Mitchell, a founder of Spine Source, still owns that name and said is he re-forming the company as an independent implant distributor.

*[jjohnson@bizjournals.com](mailto:jjohnson@bizjournals.com)*

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