

Project Overview Statement

Introduction

In the healthcare sector, the efficiency of procurement processes is pivotal to the success of a healthcare organization and the well-being of its patients. Medisail Solutions, a Software as a Service company, specializes in providing procurement solutions to healthcare clinics. Recently, Medisail has recognized an opportunity to cater to an underserved market: small and rural healthcare clinics that have historically lacked adequate access to medical supplies. To address this need, Medisail will develop a new e-procurement product that links small and rural health clinics with a network of suppliers, which will enable these clinics to procure necessary medical supplies at a more cost-effective rate than the current market standards.

This report explores the structure, objectives, and outcomes of this new e-procurement software.

Part 1: How the Company Does Business and Main Problems

1.1 How Medisail Does Business

Medisail Solutions' new product is an e-procurement platform that targets small medical clinics with limited access to resources compared to larger medical systems. The company's mission is to alleviate supply chain challenges often experienced by small or rural clinics by leveraging scale to provide a relatively inexpensive method of connecting customers to larger distributors of medical products. Medisail seeks to move into a new phase of its lifecycle where its sole product is the e-procurement solution that primarily targets these customers.

The target demographic for this product is rural health clinics, but small clinics in any part of the United States can benefit from this product. For target customers of this product, accessing and procuring healthcare resources is a challenge. Without sufficient supplies, patients of these clinics often find themselves in preventable emergency situations, which places an undue burden on local hospitals and diminishes the overall health of the communities in which the clinics are located. While companies with similar e-procurement models exist, healthcare specific models are in short supply, and there are almost no options for rural customers. This presents a two-fold opportunity for Medisail: to harness the healthcare-specific e-procurement market, and to claim and serve the rural segment before larger companies move into the market.

Medisail's new product is a procurement software service that allows customers to order medical supplies at a relative discount from large distributors. There are three tiers of subscription to the service, which allow customers to choose a subscription that meets their needs. Revenue is derived from yearly subscription fees and per-order fees. Medisail differentiates itself from similar companies by solely focusing on small clinics with limited access to resources. By leveraging the logistics solutions of a business partner with significant and widespread distribution capabilities and previously existing contracts with medical supply companies to lower costs, Medisail can corner the small health clinic market for supplies procurement.

The product primarily relies on after-sales service. Customers pay a yearly fee to use the procurement software, and a small per-package fee on each shipment purchased through the software. After purchasing the yearly service subscription, customers have access to telephone and online chat support for any

questions or issues they encounter. In addition to the quality of procurement, Medisail expects that the value of its after-sales service will prompt customers to continue using the product year after year.

1.2 Main Problems

1.2.1 Distribution Capabilities

Medisail's immediate problems surround its distribution capabilities. While Medisail has relationships with large medical suppliers that allow customer orders to be purchased at a discount and thus allow Medisail to realize profit, the company does not possess assets to distribute orders to customers in a manner that would allow the company to corner the rural customer market. It is not feasible for Medisail to purchase and operate distribution assets, so a partnership with a distributor that owns shipping assets and has the capability to conduct shipments and deliveries is vital to the success of the company. The company has identified Amazon Shipping as a viable partner for this purpose.

1.2.2 Contractual Obligations to Business Partners

Medisail relies on business partnerships with medical supply companies to succeed and will rely on distribution partnerships when the e-procurement software is launched. While these partnerships allow Medisail to focus specifically on its e-procurement product and its relationship with customers, the contracts that form the basis of these partnerships may hinder Medisail as it grows, especially those contracts that have far-off expiration dates.

Inventory management will become a problem if the scale of the company increases too quickly for new contracts to be negotiated with medical supply partners. At present, advanced inventory management is not required because the medical supply companies that provide products listed on Medisail's inventory offerings handle that inventory. The current situation is beneficial because it allows Medisail to focus specifically on the construction and maintenance of its procurement software and developing customer relationships, but it will become a problem if Medisail develops a need to hold inventory because the company grows too quickly for the negotiation of new contracts to occur.

Additionally, medical breakthroughs and their subsequent effect on the use of certain medical supplies may put a strain on Medisail's relationship with medical supply partners. To provide medical supplies to customers at a lower price and to allow Medisail to realize a profit on sales, the length of contracts with many supply partners is protracted. If a significant medical breakthrough occurs, Medisail must decide between continuing to supply products offered by supply partners – which may deter customers from using the e-procurement software – and forming new partnerships with suppliers offering the new products – which may put a financial burden on Medisail.

1.2.3 Marketing

Medisail's initial success depends on the company's ability to successfully market its new e-procurement software to small and rural healthcare clinics. Because small individual clinics will not generate the amount of revenue that a single healthcare system in a large city might, Medisail's marketing department must thoroughly research this market segment to ensure that the target demographic is reached and affected. If the target demographic is not sufficiently aware of the product at its launch, Medisail may initially lose money due to a lack of revenue while expenses related to supply and distribution contracts continue.

1.3 So What?

Medisail Solutions hopes to directly improve the quality of healthcare for people who use small and rural health clinics through the launch of this product. According to the US Centers for Disease Control, almost 18% of Americans live in rural areas without sufficient access to specialty healthcare. In addition, the CDC

states that rural Americans are at greater risk for complications related to smoking, obesity, and high blood pressure. By improving and streamlining health clinics' access to medical supplies, Medisail believes it can assist in the prevention of these diseases and improve the quality of life of millions of people.

Part 2: Definition of Project Goals and Measurable Organizational Value

2.1 Summary of Business-Oriented Vision for the Future

Medisail's forward-looking vision for its business revolves around delivering an affordable e-procurement solution tailored to the needs of small medical clinic operators. This solution will encompass an e-commerce platform coupled with robust inventory management and procurement capabilities, all aimed at serving Medisail's primary customer base effectively.

2.2 Definition of Organizational Strategy

Medisail's organizational strategy is geared towards streamlining the procurement process of medical supplies for small clinic operators. Our approach involves offering them a comprehensive solution that enables efficient inventory tracking, facilitates proactive purchase planning, and establishes connections with suppliers. By doing so, Medisail aims to reduce the risk of supply shortages and mitigate waste resulting from expired products for small clinic operators.

2.3 Value Delivered by the IT Project

The following describes the most significant areas of value that will be delivered from the project.

1. **Enhancing Efficiency in Medical Supply Procurement:** Medisail achieves this by providing logistics solutions to a diverse range of medical suppliers, enabling Medisail to operate a supply chain model that embraces edge computing principles.
2. **Affordable Medical Supply Solutions:** Medisail's product provides access to cheaper medical supplies by introducing a marketplace that allows its customers to leverage their cumulative buying power to encourage more competitive pricing from distributors.
3. **Empowering Informed Decision-Making:** Medisail strives to do more by harnessing its customer base to develop data-driven metrics, equipping small clinics with the tools they need to make informed and strategic buying decisions.

2.4 Metric of Evaluation of the Project's Value

Medisail's business model revolves around uniting the purchasing power of small medical clinics to capitalize on economies of scale. Initially, Medisail's primary objective is to expand its customer base. To accomplish this, Medisail plans for a quarterly compound growth rate of 6%, as measured by new users of the software system. As Medisail's customer base grows, the purchasing power of Medisail customers grows.

In addition, customer retention is critical to Medisail's overall success. To gauge this, customer engagement will be closely monitored via the software system by tracking the average monthly usage time of the product and purchasing trends. Medisail is targeting 75% year-over-year customer retention in the first three years of the software system's life cycle.

For the long-term sustainability of Medisail's flagship product, generating revenue is of utmost importance. While Medisail expects to secure external investments to support the company during its initial stages,

which include prototype development, marketplace establishment, and e-procurement offerings, Medisail will also keep a vigilant eye on the total purchase revenue generated through the marketplace once these milestones are reached. Medisail is targeting a 6% quarterly compound growth rate of purchases on the software system, in alignment with the projection of new users.

2.5 Definition of the Project's Measurable Organizational Value

The measurable organizational value contributed by this project is defined by two key enterprise-level outcomes:

1. Attracting 10,000 new users within the first year: This signifies the project's ability to expand Medisail's customer base and establish a strong presence in the market.
2. Facilitating \$500,000 in purchases through Medisail's e-commerce marketplace by the end of the second year: This demonstrates the project's capacity to generate substantial revenue through Medisail's marketplace, ensuring financial sustainability and growth.

Success for this product will be achieved if both milestones are met. Meeting these goals indicates that the product is on a successful trajectory, contributing significant value to Medisail as an organization.

2.6 Definition of the Project Goal

By providing a product that connects small and rural clinics with large medical supply distributors, Medisail's goal for this project is to generate \$100,000 in profit by the second year of development. To accomplish this, Medisail's initial subgoals for the project are:

1. Create the initial prototype of the software system within the first quarter of development.
2. Create the initial marketplace by the end of the second quarter of development.
3. Attract 10,000 users by the end of the fourth quarter of development.
4. Facilitate \$500,000 in order purchases via the product's marketplace by the end of the second year of development.

2.7 So What?

Medisail Solutions is planning a growth first model where the intention is to implement either free or low-cost services that better enable small clinics to support their local communities more efficiently. Once Medisail Solutions has established a significant user base, it will then begin to leverage the buying power of that collective user base in developing revenue streams in the form of advertisings, subscription costs, marketplace usage fees, and supplier logistics service offerings.

Part 3: Analysis of Problems and Required Changes

3.1 Analysis of Business Problems and Impact

The main business problem that Medisail Solutions faces is how to provide procurement solutions to small healthcare clinics in areas with limited access to resources. This problem affects the company's ability to fulfill its mission, reach its target market, and gain an advantage over competitors. Another business problem that Medisail Solutions faces is how to ensure the quality and reliability of its e-procurement solution and how to retain and satisfy its customers with after-sales service. These problems affect the company's ability to deliver value to consumers, generate revenue, and reduce costs.

The main impact that the project will achieve is to alleviate the supply chain challenges experienced by small and rural clinics by leveraging scale to provide an inexpensive method of connecting customers to

larger distributors of medical products. This impact will help both the company and its customers, as well as the communities that they serve. Another impact that the project will achieve is to create a user-friendly and secure e-procurement platform, to provide responsive and helpful customer support, and to make use of Amazon's large shipping network. These impacts will enhance the company's reputation, customer loyalty, and business efficiency.

3.1.1 Rich Picture: Interaction Between Problems, Parts of the Company, and People

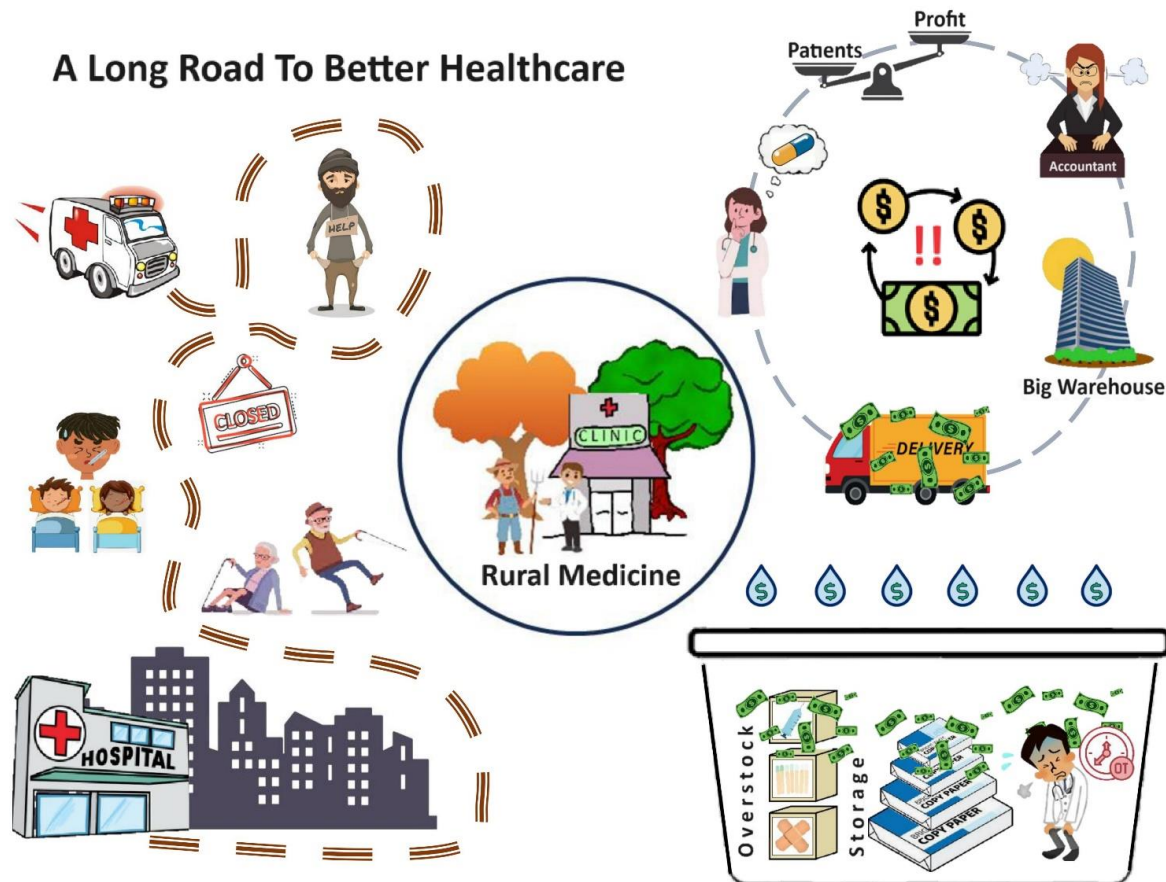


Figure 1. Rich Picture depicting the distance traveled by residents of rural communities for good health care and the business problems facing rural medical clinics

3.2 Impacted Business Processes and Problems Tackled

3.2.1 Identify Business Processes impacted

Medisail's e-procurement project will have an impact on several aspects of its business process flow. The way Medisail interfaces with its customers will undergo an overhaul as it implements a tiered subscription system. Medisail's software will need to differentiate between customers at different levels and guide them toward maximizing the value of their subscription. There will also be an inventory management tool available to customers so that they can track their needs at any given time. This will help prevent over or understocking of supplies. Medisail also plans to provide comprehensive customer support via online chat and telephone service. The online chat feature will need to be incorporated into the e-procurement software and a separate phone number will be set up on our website.

Medisail's approach to shipping will have to change to ensure prompt and inexpensive delivery of supplies. Medisail's goal is to accommodate not only bulk orders of supplies but also smaller, targeted orders that are meant to meet immediate needs. Medisail recognizes that small clinics and private practices may not have the capital to invest in large wholesale purchases. Through Medisail's partnership with Amazon, and with the data-driven metrics available for strategic purchase planning, rural medical practices will now have the convenience of getting what they need when they need it.

Implementing Medisail's e-procurement program will require a large software update. With a project goal of \$100,000 in profit over the first two years of development, Medisail's IT department will be under considerable strain as the program gets underway. Initially, Medisail will need to add to its current IT workforce to produce the new software. Furthermore, Medisail Solutions will also need to retain many of these employees at least in the short term as consultants for its first batch of customers. To fulfill Medisail's promise of excellent and comprehensive customer service, its tech support staff will require intimate knowledge of the new software and ideally, will have worked on the update itself.

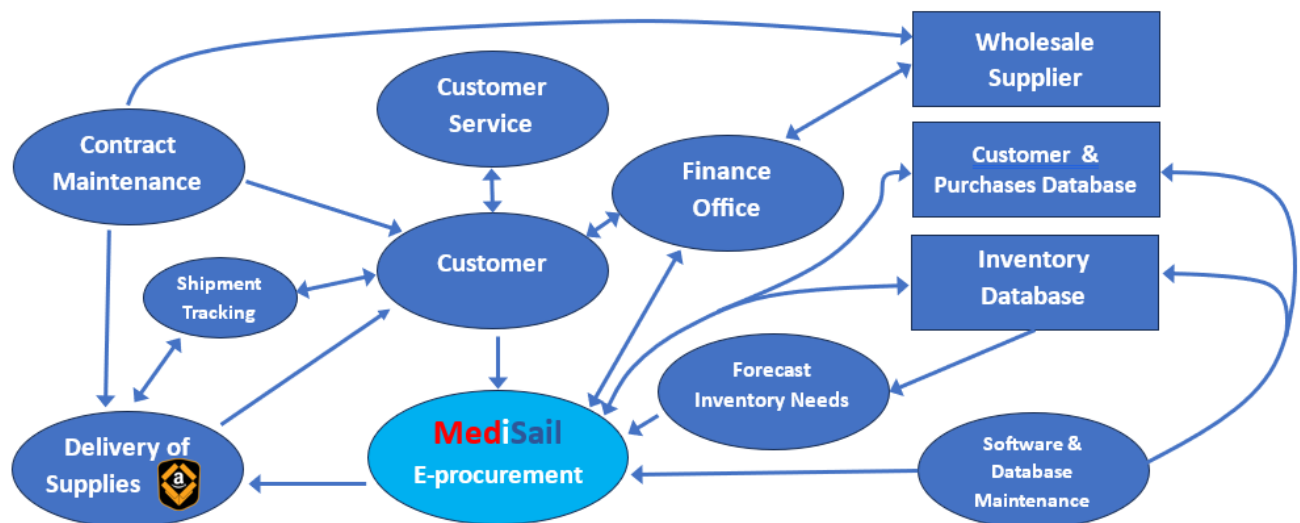


Figure 2. Business Processes Impacted by Proposed IT System

3.2.2 Identify the Problems/Opportunities Tackled

Rural medical practices face certain challenges that set them apart from larger businesses. Some of these challenges arise from the discrete health concerns of the communities they serve. For example, residents of these communities may have to travel farther to receive appropriate care or to purchase needed medicines. These parts of the country also face higher incidences of medical conditions such as exposure to hazardous chemicals and certain addictions. This means that a rural medical clinic must be able to reliably purchase highly specialized equipment and supplies at a cost that is within their limited budget.

Other challenges are inherent to businesses with little capital and limited cash flow. These small practices are faced with maintaining their inventory while trying to discover the best prices for their purchases. They are often put in the position of having to pay premium prices on small orders with rush shipping. The profit margin of these practices is further diminished using slow, inefficient, and paper-based filing systems. These physical file systems are not conducive to the sort of data analysis that would identify strategies for planning and forecasting inventory needs. As these businesses suffer, so does the overall health of these

communities. Medisail sees these challenges as an opportunity for it to provide a much-needed e-procurement service.

3.3 Problem Analysis and Revision of Company Situation and Workflows

3.3.1 High Level Requirements Analysis

1. Customers must have the option to choose a tiered subscription to the service.
2. Customers must be able to create an account, view products, order products, and view their past purchases.
3. Customers must have the ability to contact Medisail customer support via online chat or telephone.
4. Customers must be able to purchase products on the software systems' marketplace at a 20% discount from other suppliers.
5. Orders must be received by customers within 7 business days of order placement.

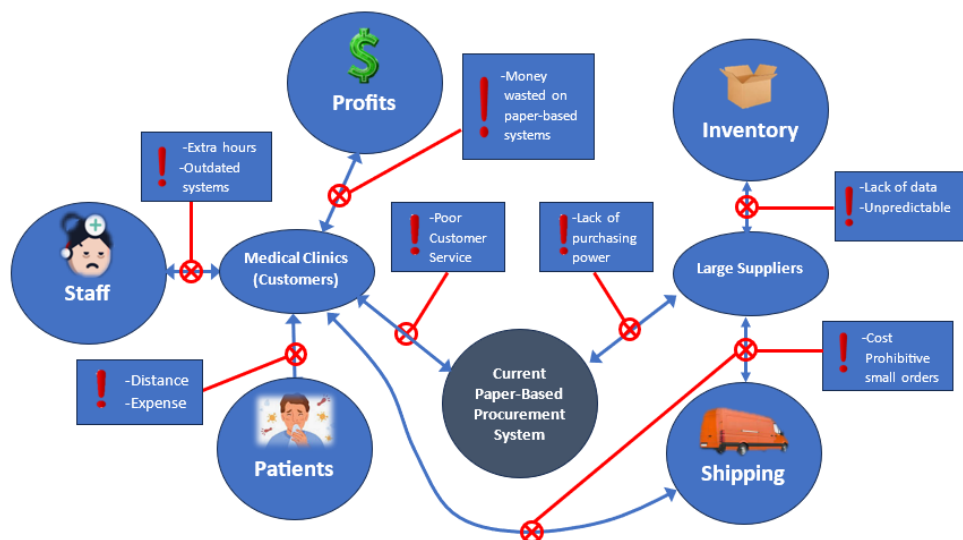


Figure 3. Common problems affecting the work-process flow at many small, rural medical clinics

3.4 So What?

For Medisail to reach the project goal of \$100,000 in profit in the first two years, Medisail must ensure its shipping practices will guarantee a quick and inexpensive delivery experience of medical goods to their clients. It is tantamount that Medisail Solutions accomplishes this in a way that shall not negatively impact its customers' limited amount of cash flow and individual revenue. Therefore, Medisail Solutions fully expects to adequately help rural communities tackle their consumer needs when it comes to receiving urgent care supplies.

Part 4: Project Impact Objectives and Success Criteria

4.1 Problem Statement Table

Major Problem or Opportunity	Business or	Areas of Organizational Impact	Measurable Org. Value
Develop management inventory software for initial prototype		<ul style="list-style-type: none"> • Customer • Strategic 	<p>Decreased inventory costs, improved inventory accuracy.</p> <p>Generate an initial prototype for the inventory management module of Medisail within 2 months, offering an electronic alternative to paper-based inventory management for its customers. This prototype serves the dual purpose of attracting early customers and investors, as well as improving the overall manageability of operations. This will lead to increased engagement with low cost and user feedback from at least 25% adapters yearly.</p>
Develop e-purchasing marketplace to allow sellers to list items and healthcare providers to purchase		<ul style="list-style-type: none"> • Customer • Financial • Strategic 	<p>Diversify product portfolios by introducing a marketplace, enabling users of the software to directly connect with sellers. This initiative aims to generate revenue for Medisail through seller and per-order fees associated with transactions conducted within the marketplace.</p>
Implement product and seller reviews		<ul style="list-style-type: none"> • Operational • Social 	<p>Incorporating product and seller reviews will significantly elevate the customer experience, ensuring smoother transactions thanks to enhanced product quality and seller services. This valuable feature will not only promote transparency but also drive a surge in traffic to the Medisail platform, ultimately benefiting all users.</p>

Implement subscription tiers	<ul style="list-style-type: none"> Financial 	Medisail plans to implement three subscription tiers to the service: a basic tier, a standard tier, and a premium tier. Tiers will be priced according to their range.
Implement e-logistics software	<ul style="list-style-type: none"> Operational Strategic Financial 	Generate additional revenue by offering sellers access to Medisail's product storage and shipping service. Simultaneously, provide customers with faster shipping options through Medisail's distributed logistics network.
Implement quality validation software	<ul style="list-style-type: none"> Operational 	Develop a software product designed to facilitate randomized quality control inspections of seller products. This innovation aims to enhance Medisail's customer experience by ensuring the quality and reliability of the products offered on its platform.
Purchase recommender system	<ul style="list-style-type: none"> Customer 	Harness the power of machine learning to deliver tailored purchase recommendations, leveraging customer data and real-time inventory insights. This dynamic feature will elevate customer satisfaction by empowering them to make informed buying decisions, all on a scalable platform.

Implement IT training for employees	<ul style="list-style-type: none"> Operational 	<p>Medisail Solutions is committed to modernizing its workflow and promoting sustainability. To achieve this, Medisail is investing in equipping its employees with fundamental IT skills, including proficiency in commonly used tools like MS Word and Excel.</p> <p>By ensuring that its workforce has these foundational digital skills, Medisail aims to achieve several important goals:</p> <ul style="list-style-type: none"> Paperless Environment: Proficiency in digital tools allows Medisail to reduce its reliance on paper documents, contributing to an eco-friendlier workplace. Data Accuracy: Digital tools help improve data accuracy, reducing errors associated with manual processes.
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4.2 Project Objectives and Success Criteria

The following describes project objectives:

- Market Expansion:** Extend Medisail Solutions' reach by focusing on underserved healthcare clinics lacking access to essential medical supplies, such as those in rural communities.
- Supply Chain Enhancement:** Address supply chain challenges encountered by small clinics through an affordable and efficient connection to major medical product distributors.
- Strategic Focus:** Pivot the company's core focus towards becoming a leading provider of e-procurement solutions tailored for small healthcare practices.
- Subscription Model:** Introduce a versatile three-tier subscription system to cater to the unique requirements of healthcare clinics, generating revenue from both subscription fees and per-order charges.
- Cost Efficiency:** Harness existing logistics partnerships and established contracts with medical suppliers to reduce procurement expenses and offer cost savings to customers.

Success criteria for the project:

- Market Penetration:** Measure the percentage growth in the adoption of Medisail's e-procurement platform among small healthcare clinics over a specified timeframe.
- Cost Savings:** Evaluate the cost-effectiveness realized by minor clinics by comparing their expenditures using Medisail's platform with traditional procurement methods.
- Revenue Upsurge:** Track the annual revenue escalation from subscription fees and per-order charges, ensuring the platform's financial viability.

4. **Customer Retention:** Assess the percentage of customers renewing their annual subscriptions and continuing platform usage, reflecting the effectiveness of post-sale support.
5. **Customer Satisfaction:** Conduct regular customer satisfaction surveys to gauge platform usability, support services, and overall user experience.
6. **Competitive Advantage:** Monitor the competitive landscape to sustain Medisail's dominant role in serving rural healthcare clinics with tailored e-procurement solutions.

These objectives and success criteria are closely aligned with Medisail Solutions mission to facilitate cost-efficient and reliable procurement for underserved rural healthcare clinics, ultimately strengthening healthcare accessibility in these areas.

4.3 So What?

While there are many competing businesses that provide medical facilities with e-procurement solutions to acquiring medical supplies, Medisail Solutions aims at upending the current market by introducing key differences than their competitors. Chiefly among them, Medisail Solutions' true distinction is its desire to market itself as the leading e-procurement system that specializes in smaller medical practices. In contrast to many of Medisail's competitors, Medisail aims at implementing key attributes that will not only support smaller institutions, but also attract them in record numbers. By employing a three-tiered subscription model that focuses on aspects covered in this section such as cost savings, customer retention, and cost efficiency, Medisail Solutions expects to not only become the premier service provider amongst smaller businesses, but also improve their ability to succeed in their mission to provide top-tier healthcare services to their own clients. In this effort, Medisail Solutions expects to see not only a revenue surge in its own services, but a clear satisfaction amongst its customers, and fully expects to become a "one stop shop" service for small medical institutions.

PROJECT OVERVIEW STATEMENT	Project Name Medisail Solutions e-Procurement System	Project No. DS-001	Project Manager The Illustrious Six
<p>Problem / Opportunity</p> <p>Medisail Solutions recognizes that many major medical practices like hospitals are currently using a variation of e-procurement. However, many of these systems are curtailed to serve larger organizations with high volumes of resources and funds. While larger institutions are certainly using the most cost-effective and reliable e-procurement service, the benefit of having a larger fund base allows them to reliably use a singular e-procurement service. On the other hand, smaller medical practices with varying degrees of available funds cannot accurately purchase their medical goods from one supplier while also finding the best deals on medical goods. Instead, smaller medical practices are forced to employ many different medical suppliers to find the lowest cost medical goods. Consequently, this means that the current e-procurement market is largely beneficial to major medical institutions, and inadvertently less advantageous to many smaller rural practices with fewer funds. This not only negatively affects the smaller practices, but their patients may need to travel to other institutions to find life-critical care. Overall, this lowers e-procurement customer satisfaction, especially for smaller practices in rural areas.</p> <p>Furthermore, a current trend in many large medical practices is to order medical goods in bulk. This is a trend that many hospitals practice because they need a large quantity and variety of medical goods to be used on demand for medical emergencies. As a result, many e-procurement services do not offer “direct medical equipment acquisition”, and instead favor bulk purchases of medical goods. Bulk purchases combined with the high cost for storing medical equipment in special facilities, such as medicines in freezers, leads to an exorbitant overhead cost for any medical practice. These logistical concerns may not matter to larger medical institutions because they can afford these overhead costs, however it is prohibitive for the smaller practices that Medisail wishes to target. Consequently, this lowers their access to any viable e-procurement service. This lack of accessibility for smaller medical organizations lowers the available marketability of e-procurement solutions and imposes a significant loss of profits for all e-procurement services.</p> <p>Lastly, another major concern for all current e-procurement systems is their distribution capabilities. For many large practices in urban centers, such as major hospitals, the acquisition of distributed goods is relatively easy. Urban infrastructure, such as train hubs and international airports makes the receiving of medical goods easier for major medical institutions. Conversely, many medical practices that lack major transport infrastructure, such as those located in rural communities, are unable to receive distributed medical goods in a timely fashion. This adversely affects the services and accessibility of many current e-procurement systems for many rural and or small practices.</p>			

Goal

Reshape the current medical e-procurement system model by introducing a series of practices that make Medisail Solutions not only more accessible to a larger audience, but also more affordable than competing e-procurement services. To accomplish this, Medisail will offer three tiers of yearly subscriptions coupled with low-cost per order fees. By doing so, smaller practices will be able to choose a tier that best fits their needs, while saving more money for their own institutions.

Measurable Organizational Value

The business result of Medisail will be assessed by two criteria:

1. Attracting 10,000 new users within the first year.
2. Facilitating \$500,000 in purchases through Medisail's e-commerce marketplace by the end of the second year.

Objectives

Medisail Solutions shall reshape the current medical supply e-procurement market by realizing these objectives:

1. Extend Medisail Solutions' reach by focusing on smaller practices such as rural healthcare clinics, which are lacking access to essential medical supplies.
2. Enhance the current supply chain by addressing challenges encountered by smaller clinics through a low-cost and reliable relationship with major medical product distributors.
3. Focus Medisail Solutions' core focus towards becoming a leading provider of e-procurement solutions tailored for smaller practices, such as rural healthcare customers.
4. Offer a three-tier subscription system to address the specific requirements of healthcare clinics, while generating revenue from both subscription fees and per-order charges.
5. Employ existing e-logistics partnerships and established contracts with medical suppliers to reduce procurement expenses, which will allow Medisail Solutions to offer cost savings to customers.

Success Criteria

The success of Medisail Solutions shall be measured in by the following standards:

1. The measurable growth among smaller medical institutions that employ Medisail Solutions will be 5% in the first 12 months of service.
2. The cost savings realized by Medisail Solution's customers shall be at minimum 20% when compared to competing e-procurement during the first 12-month period of business operation.
3. The annual subscription fees shall be valued at or above \$500,000, while attracting 10,000 new customers of across varying tiers of subscriptions in the first year of operation.
4. Amongst the 10,000 new customers attracted in the first year, Medisail Solutions shall retain 80% of these customers.
5. Medisail shall retain at minimum 60% of all customers across each successive business quarter.
6. Customer satisfaction will stay above 85% for the first 12 months.
7. Customer satisfaction will stay above 70% for each successive quarter after the first 12 months of operation.

Assumptions, Risks, Obstacles

1. Small medical practices dissatisfaction with the current landscape of e-procurement is considerably high, making for an impactful need for a change.
2. The market for new e-procurement software for the medical field is not saturated with services identical to the Medisail Solutions' model.
3. Small medical practices may revert to the old model of using multiple e-procurement software systems if Medisail Solutions does retain a reasonable percentage of customer satisfaction.

Prepared by
The Illustrious Six

Date
10/10/2023

Approved by

Date

Part 6: Conclusions

Medisail Solutions differentiates itself by catering to smaller medical practices, offering a three-tier subscription model designed for cost savings, customer retention, and efficiency. Unlike competitors, Medisail aims to become the premier service provider for smaller healthcare institutions, creating a streamlined approach to healthcare procurement. Often, small practices struggle to find cost-effective solutions due to limited funds, and Medisail aims to solve this issue with a tailored e-procurement system that provides both cost savings and customization options, simplifying medical supply procurement for small clinics. In addition to serving the needs of smaller healthcare practices, this new e-procurement product will drive revenue growth for the company. Medisail's goal is to attain 10,000 users (about the seating capacity of Cameron basketball stadium at Duke University) by the end of the first year of the product's launch and generate \$500,000 in revenue by the end of the second year.

Firstly, to accomplish its long-term mission, Medisail Solutions must focus on its commitment to bettering the physical and mental condition of its customers and enhancing their ability to deliver life-critical patient care. Presently, 18% of all Americans live in rural areas, which are directly serviced by smaller medical practices. Among this demographic, its constituents are at greater risk of health complications due to factors such as smoking, obesity, and high blood pressure. By offering better access to medical supplies, at lower cost, Medisail Solutions hopes that it can directly improve the business operations of its customers, and consequently better the medical care provided by these practices to millions of Americans.

Secondly, Medisail Solutions expects to only succeed in its mission by garnering a significant customer base, who are reasonably satisfied with its service. To do this, Medisail will deploy a prototype of its e-procurement software by the first market quarter of operation. This software deployment will be followed by the release of Medisail's initial e-commerce marketplace, which is planned for the second quarter of business. By following these goals and by offering a three-tier subscription-based service, Medisail expects to attain 10,000 new clients by the end of the fourth quarter. Medisail believes that by meeting these goals, it is an indication that its services are on a successful trajectory.

Thirdly, Medisail Solutions wishes to implement adequate shipping practices to further their overall goal. Medisail places a high importance on a system that is quick and inexpensive for its clients. Medisail recognizes that it would be inadequate to offer low-cost medical supplies, but not invest in sensible shipping practices that would endanger its customers limited funds and revenue. In pursuit of this, Medisail's major goal is to help alleviate the supply chain issue that many small medical practices currently experience. By partnering with suppliers and distributors, Medisail fully expects to accommodate not only bulk orders but also small orders of medical goods for their clients. Consequently, rural medical practices will be able to conveniently order and receive life-critical supplies.

Having stated Medisail's goals, it is important to distinguish how Medisail shall measure its own success, while implementing its long-term strategy. In this effort, Medisail has identified a few key attributes that will act as success criteria. The first of which is measuring Medisail's growth alongside the small practices that employ their services. If Medisail's customers grow alongside its own business, then a symbiotic relationship will be created in the market. Medisail Solutions will also measure its success in its ability to not only satisfy their customers, but also retain them for multiple consecutive quarters. A major facet of achieving this caliber of customer relationships is offering cost-saving services, which will be evaluated by comparing Medisail's product sales to other smaller practices not using the product. By employing these measurements of success, Medisail Solutions expects to become the premier service provider amongst its competitive peers.

With the company's objectives and its plan to measure its overall success in its mission in mind, it is important to address why Medisail Solutions believes that it is a marketable solution in comparison to current competitors. The reality of the present e-procurement framework is one that inadvertently benefits larger medical institutions. Since larger institutions have a significant asset base compared to smaller medical practices, they can place bulk orders that will be used eventually. Larger institutions have enough funds to survive acceptable losses, which allows them to benefit from traditional, less customized e-procurement systems that currently exist. Conversely, smaller practices do not have the same advantage of large revenue streams and must avoid losing funds on every order. This trend means that many small practices are unable to use a traditional e-procurement solution and are forced to shop for specific goods across a wide range of services. This presents a marketable opportunity for Medisail to offer low-cost services and become the premier "one stop shop" for smaller practices. Overall, Medisail's success of Medisail's new e-procurement product will be measured by the success of their customers, and the mission will only be a success if both Medisail and its customers grow together.