

Beebe Centrifuge Firm Becomes Multimillion-Dollar Business

By Jamie Walden - 5/11/2009

Although they don't sell the kind of parts for which one might need to make a run to Home Depot in the middle of a do-it-yourself project, a crew in Beebe is making a good living running the ultimate niche specialty store.

Back in 1998, Bruce Pursell, Bruce Yokley and Lloyd Hastings set out to find another business to run during the down time of their company, Preferred Hematology Services Inc., which services hematology analyzers.

"And we were looking for something else to do, a kind of a mail order-type thing to keep us busy while we were waiting on service calls," Pursell said.

The three entrepreneurs happened upon a small centrifuge parts distributor in Beebe called Ozark Biomedical Inc. After buying the company, the crew expanded from a wholesaler. Ozark still sells parts, but also rebuilds used centrifuges that look like new when they leave the plant.

Pursell said Ozark Biomedical generated about \$200,000 in annual revenue when they bought it. But what the small mom-and-pop centrifuge shop lacked in income, it more than made up for in growth potential because it had clients throughout the United States.

Yokley and Pursell, who bought out Hastings in 2002 for \$265,000, have since hoisted the company's annual revenue to \$3 million and befriended quite a few clients overseas. Ozark Biomedical now boasts clients in all 50 states and 15 countries, Pursell said.

Though the company's growth spurt adds dollars to the bottom line, such benefits often come with new challenges.

Pursell may be able to dismantle and reassemble a centrifuge, but his linguistic skills aren't quite as advanced.

"I was chatting with a guy in Mexico the other day. And I was having to use Google Translator because we don't have anybody that speaks Spanish. ... If it's just parts and stuff they need, Google Translator or something like that will work. But if it's tech support, it's kind of tough; that kind of limits us," Pursell said. "But, still, we sell stuff all over."

Not surprisingly, the company is looking for a bilingual technician. Ozark Biomedical currently employs 25 people at its headquarters in Beebe.

Lab Work Lucrative

Pursell, who used to work at Baptist Health, said that a laboratory generates the second-largest revenue stream (behind the radiology department) for a hospital because most diagnoses require lab tests.

Because centrifuges are an essential item in one of the most lucrative areas of a hospital, Ozark Biomedical is still growing.

The company, however, is not immune to the macroeconomic environment. Pursell said year-over-year growth in revenue from 2007 to 2008 was about 18 percent. So far this year, Ozark Biomedical is up about 7 percent year-to-date in terms of revenue growth.

"If we come in at 10 percent growth, I'm going to be happy. Any growth really in this environment would be good," Pursell said.

Since Pursell and Yokley bought Ozark Biomedical, they've added a few elements that have contributed to its multimillion-dollar growth.

Pursell said the company's Web site, through which purchases can be made, had streamlined operations. A couple of its competitors, he said, still require clients to call to buy items.

Ozark also sells refurbished centrifuges, which Ozark technicians rebuild.

That element seems to have buoyed the company lately, as reconditioned centrifuge sales have rocketed 30 percent while new centrifuge sales have dipped about 10 percent.

"We're selling a lot more refurbished centrifuges now than we have [in the past]. And I think that's directly attributed to the recession," Pursell said.

The company also rents centrifuges, often to pharmaceutical companies that are conducting studies on new drugs.

Ozark Biomedical added the assets of two out-of-state companies in 2004 when it purchased Bio-Motor Supply of Lake Orion, Mich., and Stat Services Inc. of Pahrump, Nev., in two deals totaling \$600,000, which were financed by First Security Bank.

Pursell said that Ozark Biomedical's biggest advantage had been its dedication to personalized service. "We'll do whatever it takes to get somebody fixed," he said.