

SBM Where Are They Now?: John Oslund



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It's a difficult time for most businesses when the founder passes away; but when that founder is the designer of the company's first product and its sole financial backer, the loss is challenging indeed. That's the situation that Minneapolis-based KA Medical, LLC ("KA Medical") found itself facing when its celebrated founder, Dr. Kurt Amplatz, passed away in 2019.

Dr. Amplatz served for years as an interventional radiologist and Malcolm B. Hanson Research Professor of Diagnostic Radiology at the University of Minnesota. He invented many pioneering medical devices. One of the best known, his Amplatzer Septal Occluder, repairs congenital holes in the heart by means of a small mesh device inserted through a catheter. It has spared both pediatric and adult patients the need for surgery.

After his retirement, Dr. Amplatz founded KA Medical in 2014. KA Medical's first product, the Micro Plug Set, was designed to block blood flow in small blood vessels. It can be used by doctors to stop bleeding in a trauma patient for example, or to cut off blood flow to a tumor. And since this tiny, spherical plug is simply inserted into a vein through a catheter, it can also spare a patient the need for surgery.

The Micro Plug Set became the latest in Dr. Amplatz's long list of innovative medical devices, a promising new tool to aid in arterial embolization of the peripheral vasculature. But when Dr. Amplatz passed away, his fledgling company lost its only source of funding, and KA Medical was not yet ready to market its premier device.

“guided us through the process”

John Oslund, the president of KA Medical, recalls: “Dr.

Amplatz was the sole funder of the company from its inception in 2014 until he passed away in late 2019. The company was not profitable at the time that he passed away, so the goal was to recoup as much of his investment as we could for his estate.”

Dr. Amplatz's trust made the decision to sell the company to a buyer that could benefit from its advanced technology. Oslund began the marketing process by reaching out to potential investment bankers. Oslund was referred to SealedBid through a mutual acquaintance. “We had talked to a couple of other potential investment bankers,” he explains, “but those bankers were more interested in deals that were quite a bit larger than what the KA Medical deal was going to be...So I picked up the phone and called SealedBid.”

He added that SealedBid Founder Jerry Clark was instrumental to the sale. “SealedBid was great. Jerry was able to establish a good rapport with Fred Lampropoulos, the CEO of Merit Medical Systems, Inc. (“Merit”), pretty much from the start...then the SealedBid team working with a couple of our attorneys helped us tell a nice story about the company, as well as put together some nice presentations and

and materials that were very helpful in educating potential buyers.

Jerry took a very practical approach and guided us through the process. I'd never been through all aspects of an acquisition process, and his guidance and leadership helped us fill in the pieces where we really didn't know what to do.”



Has Been
Acquired By:



With the help of the SealedBid team, KA Medical was sold to Utah-based Merit in 2020. Oslund says that the matchup with Merit was a good fit. “We were interested in finding somebody that had

products in the same clinical space...which is peripheral embolization. Basically, putting a device into a blood vessel to stop blood flow. Merit Medical is actually a leader in these spherical embolics, little tiny microspheres that are injected into the body to stop blood flow in very small blood vessels for treating different conditions. So, Merit was already very established in a portion of the embolic space. We contacted them thinking that something to treat slightly larger blood vessels might be nice for their portfolio, and they agreed.”



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As a result of the sale, Dr. Amplatz's estate was able to recoup some of his investment in KA Medical and his company was acquired by a similar concern that could benefit from its technology. KA Medical employees are still working at the same location, and their important research goes on.

Oslund says that post-sale, the KA Medical office in Minneapolis remains open as a part of Merit, and that its staff is still working on research and development for the Micro Plug Set with an eye to tailoring it to Merit's target customers.

"What we found," he explains, "is that it's maybe not the ideal product for (Merit's) target audience of interventional radiologists. So we're working on some redesigns to try to get broader market acceptance. We're redesigning a device that looks very similar but...more user-friendly to interventional radiologists."

Oslund describes his post-sale goals: "I'm still working for Merit Medical in their Research and Development area, and all of our employees are, as well...we're able to continue doing research and development, and trying to make these embolization plugs even better than they were at the time of the sale."

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"I'm going to keep working. I'm in my early 50s and I enjoy what I do," Oslund explains. "I enjoy the R&D and all the testing that's associated with it, and so I see myself continuing to do this for several more years. It's engaging work, it's interesting work."

"It's pretty neat technology. It's kind of fun to work on."

SealedBid is an M&A firm focused on lower mid-market companies with revenues ranging from \$2 million to over \$50 million.

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