Our Business
Medline is the largest privately held medical supplier in the United States. We manufacture and distribute over 125,000 medical and surgical products to healthcare institutions and retail markets.

Our Mission
To provide quality medical products with superior value to healthcare providers and end users, improving patient care and enhancing the quality of peoples’ lives.

Our Vision
To lead our industry with the most cost-effective products and valuable clinical solutions for care providers and those they serve, while improving quality and effectiveness in every area of our operation.
Industry Leadership

What do you look for in an industry leader? **Market dominance.** Medline holds top-tier market share in more than a dozen major medical product categories—many of those in the number one position. **Sales growth.** A forty-plus-year unbroken trend of annual growth has led to 2010’s projected sales of nearly 4 billion in sales. **Innovation.** With a culture of continuous improvement and differentiation, we own and license hundreds of proprietary products, patents and trademarks. **Customer focus.** We make the products our customers want, with the quality they demand and the value they need. It’s why Medline products are found in almost every hospital in the U.S., and for over half of those hospitals we’re a top-ten supplier.

**Leader in care, leader in value.** We help our customers deliver their primary objective: quality healthcare. For example, we are the sole sponsor of the annual “Prevention Above All” conference for healthcare executives, where the goal is to better clinical outcomes and enhance patient care. We also care for our customers by saving them millions in expenditures with our market efficiencies, healthcare expertise and innovative Guaranteed Savings Programs.

**Stability in a changing industry.** Medline is privately held, and in its fourth generation of leadership. It gives us unparalleled flexibility and agility. We’re better able to serve our customers and make long-term decisions. Our track record stretches back over a hundred years, and we’re debt-free.
Guardian® brand mobility and safety products target an aging boomer population.

The Curad® brand is part of Medline’s growing presence in consumer healthcare products.

Medline is the market leader in exam gloves thanks to innovative products such as Aloetouch® and Generation Pink™ gloves.

The Remedy® skin care line is clinically proven to be non-irritating and non-sensitizing.
Impressive Growth

By Any Measure, Impressive. Over the past 30 years, Medline’s growth has been tremendous. Sales—Consistent increases of 10% or more annually, approaching $4 billion in 2010. Products—Individual SKUs have nearly doubled, to over 125,000 today. Locations—Over 50 global manufacturing and distribution sites. Colleagues—Growing approximately 5% per year, now approaching 7,000 worldwide employees. Finance—Medline’s growth and expansion has been funded internally without debt.

Historical. It’s the great American success story. A.L. Mills bought a sewing machine and started making protective garments in his Chicago home. Nuns from a hospital approached him to sew surgical gowns for them. A century later, the Mills family is at the helm of the largest privately held medical manufacturer and supplier in the United States and expanding internationally. Our great success is not a recent phenomenon; our founder’s values of dedication, hard work and innovation are part of our culture and foster our growth. Today, there are thousands of Medline-manufactured items as well as distributed products from over 700 vendors.

Organic and Strategic. Our 1000-person (and growing) sales force is constantly winning new customers and earning new business with improved, enhanced and unique product offerings. Strategic acquisitions, seven in the past ten years alone, have increased the Medline presence in areas such as durable equipment, anesthesia and retail bandages. Medline’s growth is careful, thoughtful and sustainable.
MEDLINE SALES GROWTH [in millions]

KEY MARKETS INCLUDE:
- Acute Care
- Long-Term Care
- Retail
- International
- Institutional Laundries
- Home Health
- Surgery Centers
Innovation at Medline is a natural result of our customer focus; offering products and programs our customers truly need has helped us build our industry leadership position. Innovation happens at every step along the way; in product development, manufacturing, logistics, customer financing and Guaranteed Savings programs.

**Programs.** How do you put fiscal and clinical outcome goals into action? The answer is Medline educational programs, like PUPP, and Hand Hygiene Compliance. COMPASS programs help customers meet the challenges of diabetes, incontinence, and government regulations. Medline University programs keep front-line caregivers educated on the latest evidence-based approaches. Guaranteed Savings programs help conserve funds without compromising care.

**Design.** Design improves patient outcomes. Medline’s newly designed catheter trays help curb unnecessary catheter use which may reduce the risk of an infection. Design saves resources. Compressed incontinence product packaging saves trees as well as fuel by putting double the units on a single truck. Design imparts knowledge. Advanced wound care products featuring Educational Packaging™ incorporate a “two minute course” on each unit, improving care and reducing errors.

**Products.** How do you improve on the simple white lab coat? Bacteria can persist for days on an unprotected lab coat, so Medline developed the SilverTouch™ lab coat with surface active silver ions for protection from odor-causing bacteria. Medline is constantly developing new products and manufacturing them with award-winning processes. Ask us about AloeTouch® gloves, Remedy® skin care, MatriStem®, Puracol® and SilvaSorb® wound care, the EcoDrape™ and other product innovations.
Medline’s ERASE CAUTI™ program and breakthrough catheter tray design foster consistent clinical practice and patient education.

Sustained release ionic silver, as used in SilvaSorb® products, exhibits a broad spectrum of antimicrobial activity for up to 7 days.

Medline clinical programs help put evidence-based research and recommendations into practice with the guidance of in-house clinicians, outside experts and professional advisory panels.
Internal Strength

Internal strength comprises many factors. For Medline, our knowledge of our industry, the competencies we have in developing and deploying valuable products, and our ability to work effectively, efficiently and profitably have put us in the desirable position we hold today.

**Medline is a model of company strength.** Medline is a paragon of strength and stability—financially, strategically and organizationally. There’s zero debt on our balance sheet. We boast a streamlined management structure to respond quickly to customers. Vertical integration, from raw material production through design and manufacture, enhances supply chain control and contributes significant cost advantages. The same philosophy extends to the distribution logistics and transportation organization, whose 50 warehouses and 200-truck fleets are predominantly Medline-owned. Expert employees throughout the company lend their skill to clinical programs, finance, marketing, technology and customer support. We invest in our people the way we invest in the rest of our business, and so employee development and promotion from within are the rule.

**Being privately held affords a long-term strategic focus.** Our management focus is on providing superior products and value to our customers rather than on stock price. We can approach our business operations without fixating on the immediate impact on this quarter’s results or the opinion of industry analysts. We have the flexibility to solve problems and meet customer requests that few others can match. It’s a way of doing business that builds our strength, serves our customers, rewards exceptional performance and gives back to the greater good.
Skilled workers, an ISO-certified quality management system and state-of-the-art facilities combine to produce Medline kits.

Training is focused and ongoing, building a smarter, better, more service-oriented staff.

With over 30 distribution centers across the country, Medline is able to meet the demands of any healthcare facility.

In-house clinical teams lend their expertise to the development and support of new Medline offerings.
**Integrity**

**Collaboration and Respect.** We are committed to treating all individuals with dignity and respect. Every day, the Medline family works together to help improve lives. Every month, a senior executive spends time with new hires. Every quarter, more ten- and twenty-year employee anniversaries are celebrated. Every year, employees raise thousands of dollars through Spirit of Giving to help fellow Medline families that are suffering hardships. We’re proud to have been named one of the “Top 100 Places to Work in Healthcare”.

**Humanity Calls. Medline Answers.** The week Katrina struck New Orleans, we made nearly 300 deliveries of vital medical supplies, some airlifted. Our helicopter was one of the first on the scene. When earthquakes ravaged Haiti, Medline responded with materials and logistical support. When local schools need improvements, Medline volunteers step up. Our business is about alleviating human suffering. Our actions demonstrate the same.

**Responsibly Green.** Protecting the environment has been a priority at Medline before Green became popular. We are addressing the issue in a variety of ways. We produce over 500 products that use recycled materials, are highly biodegradable, and use renewable resources or more environmentally-friendly ingredients. We purchase from eco-conscious vendors. We recycle from the factory floor to the corner office. Our transportation fleet reduced fuel use 11% in 2009. Some of our buildings harvest light from the sun and heat from the earth.

**Proudly Pink.** Thousands of underserved women have had mammograms, thanks to Medline’s broad support of pink service organizations. Pink Aloetouch gloves started a revolution in breast cancer awareness that led to over 11 million YouTube™ hits on *The Pink Glove Dance*. We’ll support the cause until no one has to.
Breast cancer survivors and healthcare workers dance together under Chicago’s skyline during the Pink Glove Dance Sequel.

Medline delivers vital medical supplies during natural disasters.

At a Medline Makes a Difference community project, over 800 employees and their families devoted their time to rehabbing this northern Illinois school.

Our EcoDrape™ protects patients, workers and the environment.

Breast cancer survivors and healthcare workers dance together under Chicago’s skyline during the Pink Glove Dance Sequel.
100 years of business history have passed; what can we expect the future to hold?

**What won’t change.** Medline will continue to provide products and services to the healthcare community that enhance quality of life and provide functional and financial value. We will continue our tradition of respect and appreciation for our customers, vendor partners and employees. The appreciation and recognition of hard work that started in 1910 and continues through 2010 will be there in the years to come.

**What will change?** We will build upon our momentum with regard to innovation. You will see new products that are now just ideas. We’ll provide more broad-based solutions that address causes, not just symptoms. You’ll see more of us in your neighborhood store and more of us around the world.

**What does this mean?** To our customers, we pledge that Medline will continue to provide the products and value you need in order to deliver the care patients deserve, no matter how healthcare changes. To our employees and business partners, we pledge continued respect and the opportunity for growth as our mutual success can provide.

*Take a look into the future at medline.com.*
providing
quality medical products

optimizing
patient care

enhancing
quality of life