



## MEMO

### Our strategy & vision | Focus

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**To:** Our distributors

**From:** Rob Fraley, Director, Global Business

**Date:** 18 March 2024

To our distributors,

Hopefully you are beginning to see the changes we are making having a positive impact on your experience of working with us. In this communication, we wanted to continue to share information with you about our plans and how we are going to get to our vision of “Product Leadership.” The previous memos, and [introduction](#) and a [follow-up](#), related to this topic are available for your reference on the [resource hub](#).

2023 was the first year of our mid-range plan. We’re starting to see real progress and positive signs that we’re making good decisions and focusing on the right things, including the steady decline of backorders, several months of positive sales, and a great pipeline of scheduled product launches. We’re still early in our five-year pathway of the mid-range plan, so we need to continue building momentum.

Alongside the mid-range plan, we have also identified our corporate priorities for this year. When we shared our new company strategy and vision in last year’s town hall, Pete, Christa, and Derek talked about the need to focus on Operational Excellence and Financial Excellence in the early years of our mid-range plan. The 2024 Corporate Business Plan includes four BIPs (Business Improvement Projects) across the same areas of focus—Operational Excellence, Financial Excellence, and Product Leadership—to ensure we’re holding ourselves accountable to what we set out to accomplish.

#### **Be a reliable product supplier to improve customer and employee experience.**

**What does this mean?** We need to continue reducing backorders as much as possible so that customers don’t experience disruption and employees can feel confident in our ability to deliver consistently. It also helps support growth revenue

across the rest of the mid-range plan.

*Where is this on the midrange master plan?*

- *BTO 1*
- *Discipline: Operational Excellence*
- *BIP: 1A Improve product supply.*

### **Be a consistently high performing organization.**

**What does this mean?** Modernizing our systems is critical to achieving long-term operational excellence because these technology investments will allow us to work more efficiently and make faster, data-driven business decisions.

*Where is this on the midrange master plan?*

- *BTO 2*
- *Discipline: Operational Excellence*
- *BIP: 1A Modernize our overall businesses and systems, processes, and data to drive an increase in operating income, more efficiently use our resources, and better serve customers.*

### **Be a company that regularly commercializes new products and services and then maximizes the potential of those throughout the product lifecycle.**

**What does this mean?** Having the right product innovation operating model that will allow us to regularly bring new products and services to market is the first step toward achieving our vision of product leadership.

*Where is this on the midrange master plan?*

- *BTO 5*
- *Discipline: Product Leadership*
- *BIP: 5B Adjust our company-wide operating model and add organizational capacity to commercialize a continuous stream of market-leading products and services.*

### **Be a company that is financially strong.**

**What does this mean?** Each BIP in our corporate business plan will require a significant investment. We need to ensure we are financially healthy by growing our revenue and contribution margin so we can stay on our pathway and be able to invest in our long-term strategy.

*Where is this on the midrange master plan?*

- *BTO 8*
- *Discipline: Financial Excellence*
- *BIP 8B: Implement priority revenue generating, margin-improvement, and cost-savings activities.*

### **Major and Corporate Programs**

The Major and Corporate Programs directly support our company vision, strategy, and mid-range plan. Implementation of these programs will improve our ability to manage and use data across the organization. The more sophisticated our data availability, connectedness, and analysis are, the more efficiently and effectively

we can operate and make day-to-day and long-term business decisions.

A copy of the mid-range plan can be found [on the resource hub here](#).

As always, we hope that you are beginning to see the changes we are making and that they are having a positive impact on your experience of working with us. If you'd like to take an even deeper dive and learn more, a Brand Essence training will soon be available to you on Cook Learn.

Thanks for reading through this series.

Kind Regards,

A handwritten signature in black ink, appearing to read 'Rob Fraley'.

Rob Fraley  
Director, Global Business  
Indirect Market Management

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