

MedAire expanding beyond medical expertise for travelers

by Kirby J. Harrison

Flight nurse Joan Sullivan Garrett never envisioned herself as an entrepreneur and certainly never as the head of a multi-million-dollar company with global assets and Fortune 500 clients. But that's the way it turned out, and 18 years after she founded it, her company—MedAire—is listed on the Australian Stock Exchange and was expected to bring in revenues of more than \$25 million last year.

The idea for MedAire was born of a tragic accident on a dusty Arizona country road in 1983. Garrett, then Joan McCorkle, was chief medical officer on a helicopter emergency evacuation flight operated by Samaritan Health, responding to an accident in which a boy had been injured. Five minutes out, an ambulance team on the scene reported that the boy's injuries were not immediately life-threatening and the helicopter was ordered back to the center. Garrett argued that they should continue on and do their own diagnosis, but was overruled. While still en route back to the center, they received another call saying the boy had taken a turn for the worse. The Samaritan crew returned to the scene of the accident.

"I'm not afraid," the boy told Garrett. "It doesn't hurt." But Garrett knew from the pitch of his voice that his chest injuries were massive. The eight-year-old made it to the

hospital but died there.

The boy's death left a dark and lasting imprint on Garrett, the mother of two small boys, and it continued to gnaw at

her in the weeks and months that followed. Garrett said she began to ask herself why it wasn't possible to make the medical expertise of an emergency room available at the scene of a remote medical emergency. Responding to her own question, Garrett launched MedAire in early 1986.

A single mother, Garrett put everything on the line. Continuing to work as a flight nurse for Samaritan, she was putting in three 12-hour shifts a week and sinking the rest of her time and much of her salary into MedAire.

At the same time, Sen. Barry Goldwater (R-Ariz.) was working on a Good Samaritan bill to protect people who volunteer medical aid in life-threatening situations, and the FAA was working on a notice of proposed rulemaking that would require emergency medical kits on airliners. Garrett haunted the halls of the FAA until she was, as she puts it,



The Global Response Center in Phoenix is the heart of MedAire's MedLink remote emergency medical assistance program.

"pretty much thrown out after being critical of their rule-making process." If the agency was not so receptive, low-cost carrier People Express was and bought 100 of her kits.

Nevertheless, by 1987 Garrett was "almost out of business." Then a marketing survey of Fortune 500 companies determined that about 36 percent would be interested in an aviation-specific in-house emergency medical training. International Multifoods in Minnetonka, Minn., came to the rescue, hiring Garrett to run an in-flight emergency training class, validating the survey and the idea of training well beyond simple first aid.

Money remained in short supply, but friends and believers in Garrett and her idea were abundant. Her Samaritan employer invested \$22,500 to keep MedAire going and remained a shareholder until this year.

By this time, the company's MedLink ser-

vice, a program to provide remote emergency assistance, was up and running and in November that year, an airliner called for assistance mid-Atlantic. A passenger had become ill and the crew was worried it might be a heart attack. The MedAire emergency doctor confirmed their suspicions, the airliner was diverted and the passenger survived. "At last," said Garrett, "I had something to sell, something that worked!"

Bizav Recognized the Need and the Solution

While the company's initial success was on an airliner, it was business aviation that embraced MedAire's products and services on a broader scale. In 1989, Garrett did an emergency medical training session for Gulfstream Aerospace in Savannah, Ga., and soon after, the company decided to make a MedAire package—MedLink, an emergency medical kit and training—standard with every purchase of a new Gulfstream. "The OEMs became our champions, and they remain our champions today," Garrett declared.

Today, said Garrett, more than 95 percent of U.S. business aviation operators subscribe to MedAire's MedLink program, and much of the business comes from word of mouth. One of the operators that did not subscribe was a "very large company" that had bluntly stated, "We never have any problems," but nevertheless accepted the offer of one free MedLink call. Within 48 hours, the pilot of

an aircraft operated by that company on a transatlantic flight called to report a severe allergic reaction. "We told them how to manage it and the following Monday we had a new client," said Garrett.

Eighty-five percent of U.S. airliners have



*Joan Sullivan Garrett, founder, chairman
and CEO of MedAire.*

an FAA-approved MedAire emergency medical kit aboard, and 76 airlines worldwide subscribe to MedLink. But aviation is only part of the business.

The Tempe, Ariz.-based company also provides products and services to some 1,800 commercial maritime vessels and the U.S. Navy's Military Sealift Command. Garrett estimates that MedAire fielded some 25,000 calls from its MedLink members last year.

Emergency medical training clients include corporations, private yacht owners, movie stars, CEOs, nannies, private and public security teams and services and Middle East royalty.

A Heartbeat in Phoenix

MedAire's company headquarters occupies the sixth floor of an office building in downtown Tempe that is home to some 60 employees. Worldwide, MedAire employs more than 200, including 90 in Asia and six in Europe.

But MedAire's heartbeat is in Phoenix, in the Good Samaritan Medical Center, not far from MedAire's Tempe headquarters. There, in a small darkened room resembling a *Star Wars* command facility, is the MedLink Global Response Center. On any given day—24/7/365—a doctor at Samaritan is on duty at MedLink and can respond to calls for help from the remotest parts of the globe and recommend treatment and a course of action to those on the scene. The on-call doctor can address any problem, from upset stomachs and allergic reactions to gallstones and heart attacks.

And there is considerable high-tech help available to caregivers on site. One of the more recent pieces of equipment is the Tempus 2000 from UK-based Remote Diagnostic Technologies. Lightweight and easy to use, it will permit someone with no medical expertise to collect and transmit vital signs, such as blood pressure, pulse and heart condition, as well as video pictures, to the staff at the Global Response Center. The machine has an integrated voice link and full-color help screens. (For a demonstration, visit RDT's Web site at www.rdtltd.com).

Far More than Simple First Aid

Inflight medical kits from MedAire are far more sophisticated than the old “first aid” kits that were often little more than a bottle of medicinal alcohol and a collection of bandages.

MedAire actually offers two kits. The basic package, although labeled as “first aid,” contains no fewer than 40 items, from a biohazard disposal bag and blood pressure cuff to a lad-

der splint and antibiotic ointment packets. The second kit, emergency medical package, is far more extensive and includes a 9-percent normal saline solution with catheter, prescription medication and a suturing kit.

Also available for the business jet cabin through MedAire are automated external defibrillators (AEDs). Defending their necessity, MedAire is quick to point out that in cases of cardiac arrest, the chance of survival decreases by 10 percent every minute that goes by without an AED being used.

Crucial to treatment of an in-flight emergency is proper diagnosis, which requires an accurate report of the victim’s condition. Initially, such remotely generated reports provided little more than the patient’s vital signs—pulse rate, blood pressure and body temperature—and a description of physical characteristics and condition. The Tempus 2000 is a considerable improvement, but technology is advancing in quantum leaps and there is better to come.

Now in development is a diagnostic body harness that will take patient monitoring to yet a higher level. Not only will the device measure blood oxygen, blood pressure, pulse rate, electrolytes and skin temperature; it will determine the risk of ventricular fibrillation or congestive heart failure and transmit the information via Blue Tooth wireless technology to the onboard satellite

phone. A 2005 version is expected to measure enzymes from body sweat.

While the company embraces new technology, it continues to emphasize training for flight crews and passengers. The primary tool is management of in-flight illness and injury training. The company conducted 759 training sessions in 2003 and was expecting that number to approach 1,000 last year.

Growing Up and Growing Out

Garrett said she had long been aware of MedAire’s growth potential. Early on, she said, “I felt there was a large opportunity, a large mission.”

In 2003 MedAire made the first of two relatively recent major expansion moves with the acquisition of Australian-based Global Doctor, a Perth company that was traded on the Australian Stock Exchange. It was what Garrett described as “a sort of reverse merger that resulted in the delisting of Global Doctor on the exchange, replacing it with MedAire [stock symbol MDE].”

It appeared to be a sound business move. The Australian stock provided access to capital for growth, and Garrett has admitted she expects MedAire to go public in the U.S. at some point. (The stumbling block to issuing an IPO [initial public offering] in the U.S. is the same for MedAire as for many smaller companies—compliance with the Sarbanes-Oxley Act of 2002 aimed at corporate

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Medical Services

- Pre-travel medical consultation.
- 24/7 “call-in” access to U.S., hospital-based, board-certified physicians and specialists.
- Referral to global network of doctors, dentists and hospitals.
- Preferred access to international medicine clinics.
- Emergency medical evacuations and repatriations.
- Medical expense guarantees, case monitoring, second opinions, prescription replacements.
- Multilingual staff.
- Medical kits and training.

Security Services

- Pre-travel security advice.
- Online briefings and alerts.
- 24/7 “call-in” consultation with security experts.
- 24/7 “call-in” international legal hotline.
- Security evacuation.

Travel Services

- Emergency travel arrangements.
- Lost-passport assistance.
- Embassy and consulate information.
- Local information.
- Emergency message relay.
- Legal referrals.
- Translation assistance.
- Cash advance.
- Claims assistance.

reform.) For a company the size of MedAire to go public, “The cost of ensuring compliance with the act might be \$1 million in fees alone,” said Garrett.

But the acquisition of Global Doctor had its downside. The deal came only months before the SARS (severe acute respiratory syndrome) outbreak hit the front pages and the death toll began to climb. With its origin in China, the viral scare had a negative effect on services provided by Global Doctor, which had eight western-style medical clinics in China, Indonesia and Thailand. By late last year the World Health Organization declared the global outbreak over, but the financial effects were a shock to Garrett. “We took a hit,” she said. “We bought a company that went from break-even to zero in a matter of months. Global Doctor should be well on the way to recovery by the end of [2004],” said Garrett.

More recently, MedAire made a second major expansion move with the announcement that it was entering the security arena with Security Solutions, a suite of services designed to “help flight crews prepare for and resolve potential security risks.” Those services include security-oriented consultation and assistance, crisis management and incident response plans, on-site security audits, client-specific risk assessments and online travel and security alerts.

The company has added a staff of secu-

rity experts to its Global Response Center. The security experts, like the medical experts, are available around the clock.

Flight crews can also check MedAire’s Web-based information service for security



A student administers oxygen during a MedAire emergency medical assistance training session available to both aircrew and passengers.

alerts on worldwide destinations. Updated daily, the alerts contain risk assessments/reports and travel tips.

“We didn’t think safety and security were mutually exclusive,” said Garrett, explaining the decision. “We had a very well attended seminar at the NBAA Convention in October and we’re already doing some executive protection work outside the U.S.”

In an early November interview, Garrett suggested to **AIN** that the time was coming when an executive reorganization would be a necessity. “I’m going to need some help, and I’m more than willing to share the responsibility with the next generation.”

Just three weeks later, MedAire announced

the appointment of James Lara, 57, as the company’s new president and COO. The shift of the position of president and COO was designed to allow Garrett, as chairman and CEO, to focus more closely on long-range strategy and the company’s vision for the future and spend more time with our customers.”

Garrett studied ancient history and pre-law at Golden Gate University in San Francisco and graduated from Mesa Community College School of Nursing in Mesa, Ariz. She chuckles when asked how her education prepared her for a role in business on a global scale. “It wasn’t something they covered in nursing school,” she said.

Her management style is decidedly hands-on. “I’m very much in touch with the business and I do a lot of management on my feet, walking around. I want to know my clients’ names, and I want to know the names of all the people who work here.”

As the founder, CEO and chairman of the board, Garrett’s management philosophy has much in common with the sign on President Harry Truman’s desk that read simply, “The buck stops here.”

While the company has grown steadily, even rapidly, in recent years, Garrett subscribes to the idea of client-driven growth. “You don’t change for the sake of change,” she said. “You change because the market changes.” □