

Client Case Study

SUPPORTING PHYSIO- CONTROL, LEADER IN LIFE-SAVING TECHNOLOGIES



Supporting PhysioControl, leader in life-saving technologies

Physio-Control, a pioneer in defibrillation technology

Established in 1955, Physio-Control is the world leader in the development, manufacture, sale and service of external defibrillator and emergency medical response products and services. Physio-Control pioneered this field, with company founder Dr. Karl William Edmark developing the first defibrillator –a device used to shock a stopped heart into a regular rhythm, now used by emergency medical services and hospitals around the world. A few years later Physio-Control dramatically changed the face of emergency medical care again with the introduction of the first portable defibrillator. While Physio-Control is known mainly as a defibrillator company and gets the vast majority of its revenues from these devices (the group controls one third of the \$1.3Bn worldwide defibrillator market), it has been positioning itself over the past years as a more diversified maker of products for emergency care.

A multinational based in 32 countries, Physio-Control needed the support of HLB International's global services

With staff in 32 countries worldwide, Physio-Control needed the help of a worldwide accounting, audit and tax advisory network such as HLB International, whose local member firms now help Physio-Control in 31 countries –all except the United States where the group is headquartered.

As a multinational corporation, Physio-Control was looking for a provider with expertise in local country regulations who would be able to effectively manage their “international compliance requirements” such as local statutory filings, tax compliance, VAT returns & advisory -a challenge for many international

companies as some of these issues are not resolvable with in-house resources.

Physio-Control recognised in HLB a network that would meet their immediate accounting and tax needs both locally and internationally and effectively coordinate international accounting efforts.

HLB member firms' services to Physio-Control

In the beginning, HLB International member firms assisted Physio-Control with the renewing of staff contracts following the demerger from Medtronic and with the coordination of employee benefits. Then HLB International's European members took charge of VAT returns filing, working closely with Physio-Control for data extraction and using a task management software developed and customised by HLB International's Executive Office in London specifically for Physio-Control. The software gave both HLB local members and Physio-Control's staff a holistic view of all on-going statutory deadlines, requirements, developments and dashboards. Finally and as a result of Physio-Control's full satisfaction with HLB members' services, the group entrusted HLB firms with services including annual accounts preparation and corporate income tax.

>INTERVIEW with Del Clark, Former Acting Operations CFO with Physio-Control

You worked with Physio-Control from December 2011 to August 2012: why this specific period of time? What was your role?

“The context was that of the carve out from Medtronic, which Physio-Control had been part of since 1998. My responsibilities were primarily to establish financial operations for Physio-Control as a standalone company, organising and implementing



such departments as accounts receivable / payable, tax, payroll and risk management.

How did HLB International support you in this context?

“During this process over 30 legal entities were created in different countries, each with basic accounting, tax and audit requirements but not necessarily the staff to manage them locally. We contacted HLB International among other networks, and HLB was the most responsive, as well as very competitive. One of our major concerns was how to deal with VAT, and on this issue Corney Versteden from HLB Van Daal, Netherlands, and his team

understood and addressed our needs more quickly than any other organisation we talked to. They put forward a number of very relevant ideas on how to more efficiently meet our requirements and demonstrated their ability to immediately deploy a team.”

Do you still use HLB’s services in your current company?

“Yes, I just engaged HLB’s member firm in Hong Kong, HLB Hodgson Impey Cheng, for statutory audit and tax services for the Hong Kong and mainland China offices of a different client.”

