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Austin-based Hanger Orthopedic acquires five smaller companies

By [Barry Harrell](#)

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Austin-based Hanger Orthopedic Group Inc. said Wednesday that it has acquired five smaller companies that will bring annual revenues of about \$20 million into its patient care operations.

Hanger Orthopedic, which last year moved its headquarters from Maryland to Austin, designs and manufactures prosthetics and orthotics for amputees and patients with musculoskeletal problems. It also operates hundreds of patient care centers nationwide.

Hanger had net sales of more than \$817 million in 2010, according to securities filings.

The company has more than 4,300 employees, including about 160 in Austin.

George McHenry, Hanger Orthopedic's chief financial officer, said the acquisitions of the five companies came over several months, as part of Hanger's normal growth strategy, which aims to annually acquire companies that will bring in \$20 million to \$25 million in additional revenues.

"We've been doing these for years; this is how we've grown," McHenry said.

"In the (prosthetics and orthotics) industry, there's a lot of mom-and-pop businesses, and we're the natural opportunity for them to sell their business."

McHenry said the newly acquired companies will become divisions of Hanger, not wholly owned subsidiaries, and will add about 75 people to the company's workforce.

The acquisitions are:

- Team Post-Op Inc., a Santa Ana, Calif.-based company that focuses on post-operative rehabilitation, manufacturer representation, medical billing and medical consulting services.
- BioConcepts Inc., based in Burr Ridge, Ill., which develops lower-limb orthotic devices and a number of prosthetic devices.
- US Orthotics & Prosthetics Inc., based in Fredericksburg, Va., which develops prosthetic limbs, braces and vehicle hand controls for amputees.
- MK Prosthetic & Orthotic Services Inc., a San Antonio company that makes and services prosthetic limbs.

- Rainier Surgical Inc. and Ortho-Medical Products Inc., which were acquired as a single unit from Andover Medical Inc. Washington-based Rainier Surgical makes and services orthopedic and prosthetic equipment. New York-based Ortho-Medical Products makes orthotic and prosthetic equipment, as well as bathroom safety equipment, wheelchairs and other products.

Hanger Orthopedic's latest growth comes after the company announced in late 2010 that it would pay \$155 million for Accelerated Care Plus, a Nevada company that provides technology and programs.

Accelerated Care has contracts at 4,000 skilled nursing centers nationwide.

Courtesy of JB Goodwin