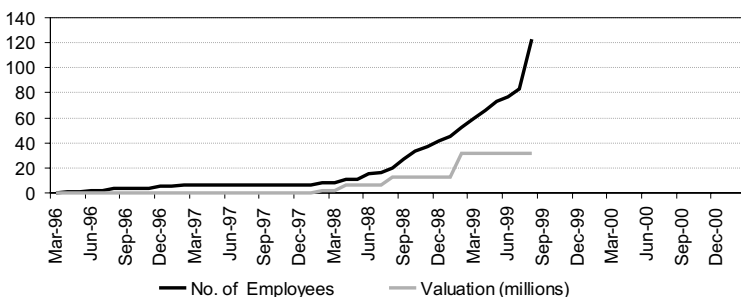


August 1999



Neoforma.com, Inc. Acquires General Asset Recovery, LLC

B-2-B Services to Include Live Auction, Internet Auction, Classifieds and More. Neoforma.com, Inc., the global healthcare marketplace, announced today that it has acquired Arlington Heights, Illinois-based healthcare auction company General Asset Recovery, LLC (GAR) . . .

*Neoforma Press Release
August 17, 1999*

eBusiness and the Supply Chain

Are you at risk of being "Amazoned?" Depending on who you talk to, it's more a probability than a possibility . . . Can a fledgling dotcom company really swoop into health care and "re-intermediate," as Amazon.com has done in the publishing industry? . . . "Any GPO or distributor that signs a contract with an e-commerce company will have just signed its own death warrant," says one GPO executive . . .

*The Health Strategist
August, 1999*

Land Grab

It's funny to think of eBay and Amazon.com as the dinosaurs of the Internet. But it's becoming clearer that the Web's real promise lies not so much in auctions and consumer sales, but in the exploding business-to-business market . . .

*Forbes
August 23, 1999*

Pick-ups



A company's ultimate product is its culture.

Whenever we saw a gap in our organization, Bob, Jeff, some other manager or I would meet with others to discuss the need. If possible, we would fill that need by utilizing an internal resource. Usually, this meant rewarding someone with a longer title. Sometimes they'd get a bit more money too.

If the need was short-term or temporary, we would try to out-source it. A consultant could easily be dismissed when the job was done or if they didn't work out. If a need was critical, long-term and could not be met by existing employees, we would be forced to seek new talent.

In any company, a new hire is a risk. It's never certain how a new hire will perform with existing employees. Even if a new person is very good at what they are hired to do, that doesn't ensure that he or she will be effective.

The challenge is amplified by magnitudes when a big project needs to be staffed—right now. It means one person can't be hired at a time. The company has to hire a bunch of individuals at once, throw them together and hope for the best.

It was always a precarious situation. But, in the beginning, it had been our only option for big projects. Later, we had other choices.

When Neoforma was a couple of months away from filing an IPO, our cash reserves were high and our stock had become very valuable currency. The risk-to-reward profile of pre-IPO stock made it a tantalizing treat to dangle in front of outside talent.

The more that notable talent was brought into the company, the more valuable the stock became. So, in certain cases, it made a lot of sense to look at the possibility of acquiring *companies* instead of individuals.