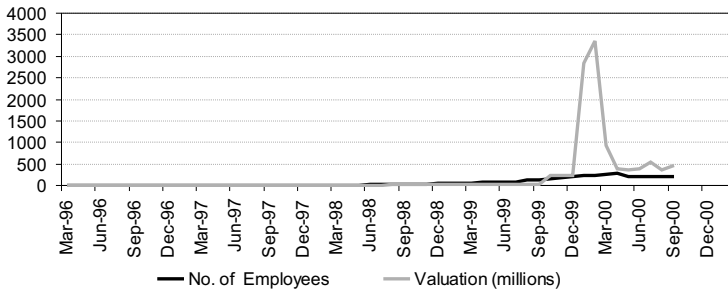


September 2000



Neoforma.com and Novation Reach Target Ahead of Schedule. 79 Hospitals Representing \$2 Billion in Purchases Sign Up

Neoforma.com, Inc. and Novation today announced the addition of 39 new healthcare facilities, bringing to 79 the number of hospitals signed to purchase supplies through Marketplace@Novation, the online purchasing solution powered by Neoforma. This figure exceeds Neoforma's goal to have 56 hospitals signed onto Marketplace@Novation before year end . . .

*September 7, 2000
Neoforma Press Release*

E-Biz

. . . PricewaterhouseCoopers, which has launched the *Healthcast 2010: E-Health Quarterly* [says]: "A shakeout is in store for some 50 companies that now market e-procurement services in the U.S." . . .

*Materials Management in Healthcare
September 2000*

Editing



It had started so simply. Or rather, in the beginning, it had appeared to be so much simpler than it was.

There was Neoforma. That was about all that could be said about it. Nobody knew what a Neoforma was. Neoforma was not *like* anything else in particular.

One step at a time, we struggled to define Neoforma. For nearly three years, there was nothing much *like* Neoforma. Then there was one other company like Neoforma—then another—and another.

Our competitors had begun to define themselves by how they were like Neoforma, and how they were unlike Neoforma. Each new company had spliced themselves into the increasingly complex landscape, until there were more than a hundred of them, fighting for attention.

Then a few ran out of money. And a few merged together. Some lost interest when the rewards were less grand than they had anticipated. A few simply disappeared, as soon as the light stopped shining on them.

Many tried to merge with us. As we evaluated each one, layer upon layer flaked off at our touch. We poked and probed each insubstantial mass, but seldom found anything solid inside.

When it became clear to these companies that we weren't willing to pay a premium for bluster, they flocked to our less-discriminating competitors. Sometimes that worked. The distributors' dotcom merged with the manufacturers' dotcom. Other mergers made for some great press releases.

When there were only a few survivors left, everything became much clearer. We all knew who and what was real again. It was almost like starting over, only not nearly as fun.