



Reprotec: When Growth Demands a Choice

Trabajo de Grado

Laura Sofía Pardo González

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Laura Sofia Pardo González, undergraduated student in Marketing and Digital Business

Hugo Alberto Rivera Rodriguez

Bogotá DC

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Laura Sofia Pardo Gonzalez



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Laura Sofia Pardo González

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Abstract

Reprotec, a leading fertility and assisted reproduction clinic in Colombia, is currently facing a strategic crossroads after receiving a new investment proposal in 2025. Over three decades, the organization has built a strong reputation grounded in scientific innovation, clinical excellence, and the complementary leadership of its founding team, whose diverse visions shaped the institution's human, clinical, and strategic identity. Despite continuous growth, the organization now faces internal tensions, operational challenges, and the need to transition toward a more structured business model capable of sustaining accelerated expansion in an increasingly competitive and diversified sector.

The recurring interest from international investors confirms the attractiveness of Reprotec's business model but also forces the partners to evaluate whether the offers received truly reflect the value created. The most recent proposal outlines a strategic alliance involving equity participation, investment for expansion, institutional strengthening, and the professionalization of corporate governance. However, bringing in such a partner also entails significant risks: partial loss of control, cultural tensions, financial dependency, and potential operational frictions during integration.

At the same time, both internal leaders and external experts recognize that Reprotec has reached a decisive moment. Competitive pressure, fragmented processes, gaps in leadership across key areas, the need to strengthen specialized talent, and the progressive dilution of organizational culture all signal that the company must undergo transformation. The strategic alternatives are clear: continue growing with internal resources—leveraging the company's

capacity for debt—or open the door to a partner who can accelerate the strategic plan and drive a deeper institutional shift.

This case explores that dilemma: how a medical institution with tradition, clinical success, and a strong cultural identity must decide between preserving independence or entering a partnership that could redefine its future. The outcome for Reprotect will depend on how it interprets this moment: as an opportunity to accelerate transformation or as a threat to its autonomy and legacy

Keywords: Reprotect, fertility, strategic alignment, Cross-functional collaboration, content management, process optimization, healthcare marketing.

Resumen

Reprotec, una clínica líder en fertilidad y reproducción asistida en Colombia, se encuentra en un dilema estratégico tras recibir una nueva propuesta de inversión en 2025. A lo largo de tres décadas, la organización ha construido una sólida reputación basada en la innovación científica, la excelencia clínica y el liderazgo de su equipo fundador, cuyas visiones diversas han dado forma a la identidad humana, clínica y estratégica de la institución. A pesar de su crecimiento sostenido, Reprotec enfrenta hoy tensiones internas, desafíos operativos y la necesidad de evolucionar hacia un modelo de negocio más estructurado, capaz de sostener una expansión acelerada en un sector de la salud cada vez más competitivo y diversificado.

El interés recurrente de inversionistas internacionales confirma el atractivo del modelo de negocio de Reprotec, pero al mismo tiempo obliga a los socios a evaluar si las propuestas recibidas reflejan realmente el valor creado por la organización. La propuesta más reciente plantea una alianza estratégica que incluye participación accionaria, inversión para la expansión, fortalecimiento institucional y la profesionalización del gobierno corporativo. No obstante, la incorporación de un socio de este tipo también conlleva riesgos significativos, como la pérdida parcial de control, posibles tensiones culturales, dependencia financiera y fricciones operativas durante el proceso de integración.

De manera paralela, tanto los líderes internos como los expertos externos reconocen que Reprotec ha llegado a un momento decisivo de su trayectoria. La presión competitiva creciente,

la fragmentación de los procesos internos, las brechas de liderazgo en áreas clave, la necesidad de fortalecer el talento especializado y la progresiva dilución de la cultura organizacional indican que la compañía debe atravesar un proceso de transformación. Las alternativas estratégicas son claras: continuar creciendo con recursos internos, apalancándose en la capacidad de endeudamiento de la empresa, o abrir la puerta a un socio estratégico que permita acelerar el plan de crecimiento y promover una transformación institucional más profunda.

Este caso explora ese dilema: cómo una institución médica con tradición, éxito clínico y una identidad cultural sólida debe decidir entre preservar su independencia o establecer una alianza que podría redefinir su futuro. El desenlace para Reprotec dependerá de cómo interprete este momento: como una oportunidad para acelerar su transformación o como una amenaza a su autonomía y legado construido a lo largo de los años.

Palabras clave: Reprotec, fertilidad, colaboración transversal, gestión de contenidos, optimización de procesos, marketing en salud.

Introduction

In Colombia, the fertility and assisted reproduction sector has been consolidating its position as one of the most dynamic areas of private healthcare. The increase in the average age of women conceiving, cultural changes regarding motherhood, and the growing acceptance of fertility techniques have driven demand. Against this backdrop, **Reprotec** has positioned itself as one of the leading national and Latin American players in the field.

Founded by three doctors from the Universidad del Rosario—Ricardo Rueda Sáenz, Eduardo Castro Valderrama and Andrés Gutiérrez Aparicio, and in the mid-1990s. Reprotec was created in response to the need of highly qualified center in Colombia with standards similar to those in Europe and Latin America. Since then, it has accompanied thousands of families in their quest to achieve high levels of success and medical recognition.

The company reports a **64% success rate** in its treatments, which is significantly higher than the **34% average reported by the Latin American Network of Assisted Reproduction (REDLARA)**.

Reprotec is also an **academic training center for postgraduate students**, and its specialists serve as **professors of Gynecology, Obstetrics, and Reproductive Medicine** at some of Colombia's most prestigious medical schools.

In February 2025, a company source informed Reprotec that one of Colombia's leading investment groups was interested in acquiring a percentage of its shares. Given this possibility, the shareholders agreed to hold a meeting at the company with the interested parties. During the meeting, the investors explained that after a thorough analysis, they identified the healthcare

sector—and fertility clinics in particular—as an attractive market and that Reprotec’s current conditions represented a favorable investment opportunity. At the end of the meeting, the partners agreed to receive a formal offer after hearing their arguments.

The decision Reprotec now faces will shape its immediate future: whether to bring in an investor that could transform the organization or to continue under the model that has positioned it as a leader. The answer is far from obvious, and the answer remains to be defined

Company’s context

Reprotec was founded on **April 4, 1994**, through the initiative of **Dr. Ricardo Rueda Sáenz**, who, after completing his training in Gynecology, Obstetrics, and Reproductive Medicine at Johns Hopkins University (United States) and McGill University (Canada), joined the Department of Gynecology, Obstetrics, and Human Reproduction at the Fundación Santa Fe de Bogotá and the Asociación Médica de Los Andes.

At that time, he structured and launched what would become Reprotec Centro de Fertilidad – Medicina Reproductiva S.A.S. with his wife, Mónica Sanz.

Reprotec is a Colombian company that specializes in fertility services and assisted reproduction. Since **1994**, **the** company has been positioned as the pioneer in the development of fertilization techniques, artificial insemination, and egg and embryo preservation, becoming a benchmark in the country within the reproductive health sector. At the beginning of **1996**, Dr. Rueda sought to bring on board two physicians he had known since his medical school years at the **Universidad del Rosario in Bogotá**, recognized for their outstanding professional and

personal qualities. They would be ideal partners to ensure continuity and foster the growth of the center.

Dr. Eduardo Castro Valderrama, who had just returned from his training in **Reproductive Medicine at the University of Westphalia in Münster, Germany**, and **Dr. Andrés Gutiérrez Aparicio**, who had completed his training at **Hammersmith Hospital in London, United Kingdom**, joined **Reprotec**.

In **1997, Reprotec started** with its own assisted reproduction laboratory and performs the first fertility treatments. In 1998, **Deisy Mora Maldonado** joined Reprotec, who, in the words of **Ricardo Rueda**, “as an intern student, took over the administration of the center.”

The four leaders who have shaped Reprotec's history and evolution represent profoundly different profiles that are complementary and decisive for the organization's identity.

Dr. Eduardo Castro embodies absolute scientific rigor. He is a highly intelligent man with a methodical and structured way of thinking, who makes all his decisions based exclusively on evidence. His style is technical, precise, and completely devoid of emotional impulses, which gives him unquestionable intellectual solidity. His presence is serious, reserved, and even intimidating. He inspires respect through his knowledge and consistency. His honesty is indisputable, and his conceptual clarity has been key to ensuring that Reprotec maintains consistent scientific leadership and that each protocol is backed by data and technical foundations.

Dr. Ricardo Rueda represents the visionary and human side of leadership. He is a dreamer with an enormous capacity to connect with people and inspire them to believe in what is possible. Gratitude and trust are core values in his way of relating to others, which has allowed him to open doors and build a diverse and valuable network of contacts, but it also makes him vulnerable when he feels that trust has been betrayed. He is deeply empathetic, generous, and dedicated to serving others. His main strength lies in his vision, in his ability to imagine the future and mobilize others toward it. When that sensitivity is hurt, it can transform into firmness and harshness, but always from a deep sense of purpose.

Dr. Andrés Gutiérrez is the team's balance. He is serene, calm, and always willing to listen. He accompanies from silence, providing emotional stability in times of tension. It is extremely difficult to see him upset or out of control; however, he maintains a neutral and respectful tone that generates confidence and tranquility in those around him. He is a natural mediator, capable of finding a middle ground in any situation and sustaining harmonious work environments.

Deisy **Mora** brings a strategic, executive, and achievement-oriented perspective. She is a visionary woman with a strong entrepreneurial spirit and great enjoyment of challenges. She has an outstanding ability to make things happen, focusing on concrete results and highly efficient processes. Over the years, she has developed a deep emotional intelligence, which allows her to connect better with people and understand complex human dynamics. She is sociable, a good listener, and therefore highly valued within the organization. Her strategic mind, coupled with structural and financial skills, makes her a key player in transforming ideas into concrete actions.

During **2005**, they implemented the Process Management tool, providing structure to an organization focused 100% on patient care. In **2008** it becomes as the first fertility center in Colombia and by year **2015** the brand's leadership in Colombia is consolidated with exceptional clinical results, achieved thanks to innovation in technology and laboratory processes, and a team of professionals in constant training.

In **2016** was the first clinic in the country implemented Witness technology, a solution of radiofrequency tracking to ensure traceability of biological samples.

During **2018**, progress was made in structuring the franchise model, and in **2020**, the first franchise was opened in the city of Pereira, located near two of Colombia's most important cities: Cali and Medellín.

In **2020**, the pandemic became a major challenge for Reported. For several months, and following the national government's regulations, activities involving new patients and treatments were restricted, with attention limited only to ongoing treatments. Nevertheless, the **2020** results were noteworthy:

At the Bogotá branch, both economic and emotional results were very positive, maintaining indicators similar to those of **2019**. In December **2020**, the negotiation and purchase of the premises for the Cartagena branch were completed under favorable financing conditions for the project.

In **2021**, they implemented the Time Lapse system with smart incubators that monitor embryos every few minutes without disturbing them due to changes in temperature or

environment. At the Cartagena branch, the first phase of architectural design was initiated with AEI Aquatinters e Interiores S.A.S., and the laboratory equipment was acquired.

In **2022**, they introduced **EmbryoScope+** of **Vitrolife**, cutting-edge technology for continues observation of embryonic development. For the 2022–2026 period, management prioritized the need to restructure and improve patient experience processes, strengthen brand value, and build stronger connections with patients to drive the engines of strategic planning. The key focuses were as follows:

- **Promoting personal brands** to connect with more patients and expand the social media community.
- **Improving patient experience** by restructuring the patient journey to provide warm, safe, and humanized care.
- **Exploring new markets** through international strategy.
- **Designing a patient wellness program**, defining what wellness means, exploring patient needs, and creating an enhanced service experience that differentiates the organization from competitors while increasing satisfaction and loyalty.
- **Professionalizing and strengthening employee loyalty**, advancing the definition of a new organizational structure to support post-pandemic service delivery, with proper hierarchy, defined job profiles, and salary adjustments, making the company more competitive in the market.

Over the years, Reprotéc expanded its portfolio to include advanced **fertility treatments** (in vitro fertilization, intracytoplasmic sperm injection (ICSI), intrauterine insemination, among others). **Fertility preservation** (cryopreservation of eggs, embryos, and semen) and comprehensive **patient support** (psychological counseling, nutritional guidance related to assisted reproduction) so it allows to offer comprehensive patient care and experience. **Research and teaching**, participation in medical projects that seek to innovate reproductive techniques and train specialists in the field.

While Reprotéc was originally established to address the needs of infertile Colombian families, its vision gradually transcended national borders. Finally, the clinic not only expanded its presence across Colombia but also achieved international recognition. Approximately 25% of its patients come from abroad, including United States, Germany, Spain, and Australia (Medical Tourism Association, 2025).

Beyond the figures and medical advances, Reprotéc's story is best understood by looking at the people who are interested in Reprotéc's services. Each patient represents a different story: couples who have waited years to start a family, women who choose to become mothers, or even same-sex couples seeking alternatives to fulfill their dream. This diversity of profiles not only reflects changes in society and in the fertility market but also shows strategic challenges for the clinic: how to design personalized services with comprehensive support. Recognizing these different patient groups is key to understanding the evolution of Reprotéc and its current positioning.

A significant portion of Reprotéc's patients are Colombian couples between the ages of 28 and 40 who have had difficulty conceiving naturally. For this group, infertility is not only a

medical challenge but also an emotional and social one, given the cultural importance of family in Latin America.

Foreign patients, mostly from the United States, Europe, and neighboring Latin American countries, are another strategic segment. They are generally between 35 and 45 years old, financially stable, and looking for reliable and technologically advanced options at a lower cost than in their home countries. In addition to medical quality, they value aspects such as travel assistance and personalized care. Colombia is an attractive alternative in medical tourism for this group, and Reprotec is positioned as one of the leading clinics in the region.

An emerging and increasingly relevant segment is made up of single women, usually between the ages of 30 and 40, who have decided to have children independently of a partner. This group seeks clinics that offer safe options for artificial insemination or in vitro fertilization with sperm donation. For them, trust, discretion, and emotional support are essential, as they face social prejudice in addition to the economic challenge that treatments represent in many cases.

Same-sex couples, both female and male, who want to start a family are an increasingly visible buyer persona. Most patients are between 30 and 45 years old, have upper-middle incomes, and are looking for clinics that offer comprehensive solutions, such as egg donation and sperm donation. These couples highly value respect, inclusion, and non-discriminatory treatment in addition to medical quality and legal transparency of procedures. This segment represents an opportunity for Reprotec to differentiate itself as an open and modern clinic that responds to new social realities.

This global reach was driven by three factors:

1) Clinic excellence: offering ISO-9001-certified care, multidisciplinary attention, and cutting-edge technologies (Medical Tourism Association, 2025).

2) Cost competitiveness; with fertility treatments in Colombia, that at the end costs only a fraction of European and United States prices (Clinictor, 2024).

3) The rise of fertility medical tourism, where Colombia has emerged as a preferred destination for affordable IVF treatment benefiting from its accessibility, advanced medial infrastructure, and favorable cost of living (Medical Tourism Association, 2025).

Sector and the external environment

The fertility market in Colombia has grown steadily. According to the Colombian Fertility Society, approximately 15% of couples of reproductive age experience infertility problems. Globally, the WHO (*World Health Organization*) estimates that 1 of 6 people have difficulty conceiving (WHO, 2023).

In Latin America, the Latin American Network of Assisted Reproduction (REDLARA, 2022) reported that more than 120,000 procedures are performed annually, with a 15% growth over the last decade. Brazil, Mexico, Argentina, and Colombia are the leading countries in terms of number of procedures, with the latter standing out for its scientific quality and early adoption of assisted reproduction technologies.

In Colombia, the industry has evolved in parallel with demographic and social profile changes:

-Demographic: Motherhood has been increasingly postponed, especially among urban, educated women, who now tend to have their first child between the ages of 30 and 35. Career prioritization, economic uncertainty, and lifestyle changes have directly contributed to this postponement, which has directly contributed to a higher prevalence of infertility. Simultaneously, declining fertility rates (from 2.6 children per woman in 2000 to 1.6 in 2023, according to DANE) reflect a structural shift toward smaller families and delayed reproduction. These demographic patterns have increased demand for fertility treatments and preventive options, such as egg freezing and fertility preservation.

-Social: Colombian society has experienced greater openness toward infertility and assisted reproduction. Once a topic surrounded by stigma, infertility has become part of public and medical conversation, particularly in large cities such as Bogotá, Medellín, and Cali. Increased media visibility, public figures sharing their own experiences, and the influence of global discourses on reproductive rights and gender equality reinforce this change. There is also a growing recognition of diverse family models. Including single motherhood by choice, same-sex couples, and non-traditional parenting structures has broadened the patient base and diversified the demand for reproductive services.

-Economic: The cost of an IVF cycle in Colombia starts at approximately **COP 21.5 million (USD 5,375)** for the medical procedure itself. However, this figure **does not include medications, diagnostic tests, or additional procedures**, which typically add another **COP 8–10 million (USD 2,000–2,500)** to the total. As a result, the

real average cost of a complete IVF treatment usually ranges between **COP 29.5–31.5 million (USD 7,375–7,875)** per cycle. This represents a significant financial barrier for many patients, although financing plans and, in some cases, partial coverage by medical insurance have emerged as alternatives to improve access. (Reprotec, 2025).

One of the principal challenges in Colombia is limited regulation. Compared with Europe, where there are specific guidelines about the bioethics and clinical standards, in Colombia, regulations are still in their infancy.

In terms of the competitive market, Reprotec, InSer, CECOLFES, and Eugin are the most established clinics. The entry of multinational groups has raised the bar in terms of technological standards, administrative management, and marketing, putting pressure on local doctors to seek expansion strategies or partnerships. Nevertheless, the sector faces several challenges:

- **High technological investment:** Assisted reproduction techniques require sophisticated equipment, constant laboratory upgrades, and technological updates.
- **Regulation and medical ethics:** Every advance is subject to strict ethical, legal, and cultural controls, which can slow down strategic decisions.
- **Growing competition:** International chains and new clinics with a business focus have entered the market with aggressive expansion and marketing strategies.

Suppliers

Suppliers represent an essential link in Reprotéc's value chain. Their participation has a direct impact on both daily operations and business sustainability, as a large part of the services, supplies, and clinical processes depend on them. The clinic structures its operations into different untangling diagnostics, assisted reproduction, pharmacy, and genetics and gender, of which assisted reproduction accounts for approximately 60% of total revenue.

Within this structure, diagnostics, genetics, and some complementary processes are managed under a controlled outsourcing model. In these cases, Reprotéc directly bills the patient, but the procedures or analyses are performed by specialized external laboratories, which the clinic remunerates according to the services provided. This scheme allows it to maintain a comprehensive offering without directly assuming all the costs of infrastructure or specialized personnel in each technical line, although it implies significant operational dependence on these partners.

Medical and pharmaceutical suppliers constitute an even more critical group. The clinic depends on a very small number of players—three to four main suppliers nationwide—who control the import and distribution of materials essential for fertility treatments. These include hormonal medications, devices for assisted reproduction procedures, and laboratory reagents, all of which are imported and have limited availability. This market's concentration creates a position of high dependency: suppliers control access, delivery times, and associated costs, which restricts Reprotéc's bargaining power.

This dependency relationship is not only a logistical issue but also a strategic component of the business model. Supplier compliance and reliability determine treatment of continuity,

price stability, and, ultimately, the quality perceived by patients. Any interruption or variation in supply can affect clinical operations and compromise user experience. Maintaining stable, transparent, and sustained relationships with these actors is vital for the clinic

The situation also poses a structural challenge. Inventory management and demand forecasting become critical factors given that the availability of these supplies depends on a few distributors and import processes subject to international timelines and regulations. The clinic must anticipate and plan its purchases accurately to avoid stockouts that could impact ongoing treatments.

In short, Reprotéc's supplier system combines technical, operational, and logistical dependence on specialized third parties with the need for strategic management to ensure continuity and efficiency. This balance between control and collaboration defines part of a company's competitive advantage, but also exposes its vulnerability to a concentrated and highly regulated market.

Competitors

In Colombia, the sector primarily comprises independent fertility clinics, with Reprotéc's main competitors being **Clínica Inser** and **Medifertil**.

Clínica Inser, established in **1995**, is one of the country's most experienced fertility centers and currently operates in five cities: Bogotá, Medellín, Barranquilla, Cartagena, and Pereira.

Medifertil is an assisted reproduction center that is part of the Eugin Group, an international institution with a presence in nine countries and 34 clinics worldwide. In Colombia, it has been operating since **2014**, with locations in Bogotá, Barranquilla, Bucaramanga, Manizales, and Yopal since 2014.

Other clinics offer surrogacy services, such as **Celagem**, **Novafem**, and **Reprovid**. In addition, some of the most prestigious hospitals in Colombia have fertility units, including **Clínica de la Mujer**, **Fundación Santa Fe de Bogotá**, **Clínica del Country**, **Clínica Imbanaco**, and **Profamilia**.

Investment proposal

In August 2025, Reprotec receives a non-binding proposal from an investment partner expressing interest in joining not only with capital but also as a strategic ally. The stated objective is to support the expansion of the clinic, strengthen its institutional framework, and contribute to the professionalization process that the founding partners recognize as an urgent need. The proposal emphasizes that this is not a passive partner, but rather an actor who seeks to participate in the board of directors and assist management in structuring growth initiatives.

The investor indicates that their contribution would be focused on several fronts. In terms of growth, the investor intends to support both the creation of new lines of service and the acquisition of other fertility clinics, committing to participate in the analysis, negotiation, and closing of these operations. Organizationally, the investor proposes to strengthen corporate

governance by more clearly defining the roles between the board, management, and shareholders, while improving the quality and frequency of financial reports.

External relations are another component of the proposal. The investor proposes facilitating strategic contacts with insurance companies and other businesses to expand the corporate client base and explore fertility coverage schemes. In addition, they also offer to work on the design of incentive and succession plans, with the aim of reducing the organization's dependence on its founders and ensuring the retention of key professionals.

Another central focus is the financial plan. The proposal is to implement monitoring tools, such as monthly reports, cash flow controls, budgets, and projection models, as well as the design of tax strategies that contribute to optimizing management. The investor backs these promises with its experience in previous operations in Colombia and Spain and with the support of a business group with decades of experience.

Finally, the proposal emphasizes that investment project prioritization will not be a unilateral imposition. All initiatives must be discussed and approved by the board of directors. In fact, the possibility of beginning to evaluate projects during the due diligence stage is proposed so that, if the operation is finalized, the resources can be executed immediately and efficiently.

The proposal envisages a total investment of COP 1 billion, equivalent to USD 250,000, distributed across different operational and expansion fronts:

Remodeling and physical adaptations—COP 400 million (**USD 100,000**): Resources aimed at modernizing existing facilities, adapting clinical spaces, and updating administrative and patient care areas.

Purchase of equipment and technological resources – COP 300 million (**USD 75,000**): This is intended for the acquisition of complementary equipment for fertility procedures, as well as the renewal of medical and laboratory instruments necessary to maintain the quality of services.

Operational and organizational strengthening—COP 200 million (**USD 50,000**): Includes adjustments to internal processes, improvements in administrative management, and support to optimize the efficiency of daily operations.

Commercial support and positioning—COP 100 million (**USD 25,000**): Aimed at promotional activities, brand strengthening, and institutional positioning within the fertility market.

Reprotec has always been an **attractive option for investment banks and competitors**.

In **2016**, one of the world's leading fertility groups, with operations in more than **nine countries**, submitted an acquisition offer. However, Reprotec's partners rejected the proposal, and the interested party went on to acquire another fertility center in Colombia.

In **2022**, a U.S.-based group of fertility clinics approached Reprotéc seeking potential collaboration. Although the partners viewed it as a promising opportunity, **market conditions in the United States** at the time delayed the negotiations, which were ultimately not resumed.

In **2023**, Reprotéc received a **nonbinding offer** from one of the largest Latin American firms specializing in **alternative investments**. The proposal involved an investor seeking a **majority stake** in the company. Along with other financial considerations, led the partners to decline the offer.

Two additional offers were received in **2023 and 2024**, but the **economic terms proposed** did not align with the partners' expectations or strategic vision.

What is happening in Reprotéc?

Today, Reprotéc faces a crucial decision. The company has received a proposal from investors interested in acquiring a significant stake in the clinic without losing the majority control. Their investment is ambitious: inject capital and international network to open a new laboratory in Bucaramanga, strengthen operations in Bogota and Cali, and expand the portfolio to include fertility, wellness, and comprehensive health programs. The offer promises accelerated growth, global positioning, and a more robust network of doctors and partners.

The concern lies in whether this offer truly reflects the value built over years of experience. The investors are proposing a general acquisition that is approximately twice the EBITDA, translated into multiples. An investment banking expert has said: *don't accept the deal.*" His argument is that the clinic has enough capacity to take on debt up to twice the

EBITDA generated and finance growth projects without having to cede control to third parties. In his words, accepting the proposal under these conditions would mean giving up the company's autonomy and future value. The recommendation is clear: wait, organize the strategy, and make decisions from a position of greater strength.

During the process, it was necessary to incorporate the perspective of an **expert negotiator**, who evaluated the proposal from a strategic standpoint. His position emphasized that the discussion should not focus solely on the numbers but also on the company's current level of maturity and the speed at which the competitive environment is changing. Based on his analysis, this was a decisive moment for the organization to clearly define what kind of company it wanted to be going forward: whether to maintain its organic growth rate, with the operational and financial challenges that this entails, or to take advantage of the arrival of a partner to accelerate transformations that would take much longer internally.

From this perspective, the opportunity to make this decision focus on three key factors. First, the possibility of accelerating the current strategic plan, especially in relation to service expansion, regional expansion, and technological consolidation should be considered. Second, the option of leveraging the financial dimension would relieve pressure on the partners at a stage in their lives when it is natural to seek a balance between what they have built and the return on that effort. Third, a profound transformation in the culture and governance model must be driven, moving from operating as a medical project with a strong clinical legacy to consolidating itself as a business group. This included adopting more robust processes, transitioning to modern

management models, and incorporating digital tools and artificial intelligence as strategic pillars capable of sustaining orderly and competitive growth over time.

Employees' opinion

During the process of investigating what Reprotéc should do, three expert leaders in the company reached the following conclusions: the workers' project that Reprotéc will double in size over the next five years. To achieve this, they consider it essential to expand the capacity of the laboratory with more embryologists, which would not only guarantee greater coverage but also the training of specialized talent in an area where there is a shortage in Colombia.

A shared aspiration is for Reprotéc to become a scientific benchmark in Latin America and achieve internationalization with a presence in countries outside Colombia. However, they consider this goal achievable only if internal structural challenges are resolved. While they recognize that Reprotéc has grown rapidly, they perceive that this growth has been disorganized. One of the biggest identified gaps is the lack of leadership in critical areas, such as human resources and project management. The workers believe that the company needs leaders with experience in the fertility sector who are sufficiently prepared to consolidate multidisciplinary teams and give continuity to strategic initiatives.

Another point raised is the lack of a solid commercial department. Until now, Reprotéc has managed to position itself mainly through medical quality, but to sustain growth and compete with international clinics. A structured sales and marketing approach is required to promote services in new markets.

Employees identify multiple challenges that jeopardize the organization's sustainability:

- Shortage of specialized human talent: Currently, each location has one embryologist; however, opening new locations under this model is unsustainable. The lack of embryologists in Colombia necessitates the maximization of existing talent, guaranteeing breaks and better working conditions to avoid turnover and demotivation.
- Limited operational capacity: The physical space at the locations is insufficient for the current operational load. This puts pressure on staff and delays the implementation of new technologies or services.
- Non-standardized internal processes: Workers perceive that roles are mixed and that clear coordination between the medical and clinical sides. This creates inefficiencies and reduces the ability to respond to market needs.
- Delayed project execution: Innovative ideas and projects underway, but the current staff is insufficient to handle current operations and, at the same time, promote new initiatives. This gap slows down an organization's development and its ability to compete internationally.

One of the aspects that most concerns staff is the loss of the cultural identity of Reprotec. What was once known as “the Reprotec family,” characterized by closeness, collaboration, and a sense of belonging, is now perceived as weakened due to the rapid pace of expansion. This loss of internal cohesion generates uncertainty, especially despite generational change, as there is no clear plan for succession or for strengthening the corporate culture.

The problem is that Reprotec faces not only a financial dilemma but also an organizational challenge. The internal culture is worn down: teams are tired, decisions are made on the fly without a clear process, and everyone acts as they please. The current strategy involves several fronts: launching a program for international patients that takes advantage of the growth of medical tourism in Colombia; creating a comprehensive wellness program that complements fertility treatments with physical and emotional support; strengthening the network of partner doctors inside and outside the country; and seriously planning for the founders' generational transition.

Reprotec can no longer be seen as an isolated clinic but rather as a network influenced by multiple actors: patients, doctors, suppliers, agencies, regulatory entities, insurers, universities, and competitors. A few years ago, they competed with 7 fertility centers; today, there are more than 38, each with different product lines and market strategies. In this new scenario, identifying strategic allies, such as embassies, companies, insurers, and universities, is essential to expand the clinic's reach and generate new sources of loyalty.

At the end, Reprotec's partners recognize the need for a deep strategic change. The investors' proposal appears to be one possible way to achieve this, while the alternative of putting the house in order and growing with its own resources represents another path. The decision is not easy: both options have advantages and risks, and the future of the clinic is at stake.

Can Reprotec achieve its projections alone or with its investment partner?

To maintain its market position, Reprotéc is studying projects to continue growing: 1) Gamete bank & egg donation program; 2) Wellness program; 3) Expansion of the network of doctors; 4) opening of new locations.

The gamete bank & egg donation program is an alternative being explored by the company. Although freezing gametes costs between US\$4,000 and US\$8,000 per cycle, plus the cost of annual storage, it is an alternative that allows patients to preserve their fertility, given the high demand for donated eggs, which contrasts with limited supply, resulting in waiting times of more than six months in some clinics. Likewise, Colombia is an emerging destination, with fertility treatments that can cost up to 60% less than in the United States.

The second project consists of creating a wellness program to build patient loyalty and position Reprotéc as a VIP brand. Among the services to be offered is a fertility pharmacy that allows patients to have reliable, specialized, and guided access to products that accompany fertility and sexual and reproductive health treatments. In addition, Reprotéc envisions the possibility of offering activities that allow couples to connect with new lifestyles and reduce the levels of anxiety and stress present during treatment. Services include holistic support (yoga, meditation, and Pilates), services geared toward supporting men, and endocrinological support.

The expansion of the network of physicians aims to consolidate a community of specialists in gynecology, obstetrics, urology, endocrinology, and assisted reproduction. It is a space for collaboration and continuous training, where belonging is synonymous with excellence.

Finally, alternatives for expansion to other cities in Colombia are being explored, where the demand for fertility treatments has increased and where some of the most important competitors are present.

During the negotiation process, Reprotec launches “Pharma Serenta,” the first drugstore in Colombia specializing in fertility, aimed at current and future patients and the public who require products focused on women’s health, fertility, treatment preparation, reproductive well-being, and support during pregnancy. This unit is part of the corporation but has an independent brand identity and name.

Risks and Conclusion

Although structured as an opportunity for growth and institutional strengthening, the proposal presented to Reprotec also involves a series of risks that the organization must carefully consider before making a final decision.

Among the main identified risks is the dilution of control of the company. The entry of an investment partner with a significant shareholding could change the decision-making dynamics, especially in strategic or long-term aspects. This raises concerns about the founders’ autonomy and the preservation of the organizational culture that has characterized Reprotec since its inception.

Another significant risk is the financial dependence that could result from the agreement. While the capital injection offers immediate liquidity for investment and expansion, it also

implies future financial commitments, both in terms of the expected return of the partner and the need to meet jointly defined financial goals.

This proposal also highlights the risks related to the valuation of the company and the asymmetry in financial information. There are concerns about the methodology used to determine Reprotect's value and projected return, as well as the accuracy of the accounting data, and the standardization of the key indicators that support the proposal.

Similarly, the operational risk derived from the integration process is highlighted. Bringing in a new player with direct influence on management could generate internal tensions, affect team morale, and temporarily slow down operations.

Regarding the regulatory and compliance environment, the report notes the importance of maintaining strict management of legal, health, and tax requirements, particularly considering that the healthcare sector in Colombia is constantly changing.

Finally, although the investment partner proposes support in corporate governance, strategic planning, and expansion, the decision to accept or reject the offer must be based on a thorough analysis of its real suitability for Reprotect now. The organization faces the challenge of balancing its need for capital and professionalization with the preservation of its independence, founding values, and its sustainable business model.

Ultimately, the case raises questions about the future of Reprotect: is it time to open the doors to a strategic partner to accelerate growth, or is it more prudent to strengthen its current structure from within, betting on its own controlled expansion model? The answer will depend

on the vision that its leaders define for the coming years and the degree of institutional maturity that the organization is willing to assume.

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APENDIX

Table 1– Adapted from EMIS data

EBITDA (in TSD USD)

Company	2024	2023	2022	2021	2020	2019	2018
Reprotec	257.59	701.19	941.24	1,096.02	397.07	465.52	627.95
Inser	579.26	301.87	1,209.25	669.31	632.15	553.67	591.63
Celagem	249.80	332.93	19.43	45.66	34.23	85.36	0.00
Novafem SAS	72.14	274.88	38.68	0.00	0.00	33.29	0.00
Medifertil SAS (Eugin)	450.30	323.00	208.87	241.21	-57.96	138.55	174.82

Table 2- Adapted from the EMIS data

EBITDA %							
Company	2024	2023	2022	2021	2020	2019	2018
Reprotec	3.84%	12.84%	19.07%	20.93%	12.48%	13.41%	17.69%
Inser	13.56%	8.56%	31.13%	21.24%	25.82%	17.93%	18.83%
Celagem	11.42%	9.56%	0.61%	2.33%	3.84%	10.20%	<u>0.00%</u>
Novafem SAS	1.73%	7.72%	2.16%	0.00%	0.00%	4.16%	0.00%
Medifertil SAS (Eugin)	19.12%	17.43%	13.18%	16.14%	-5.91%	8.88%	11.35%

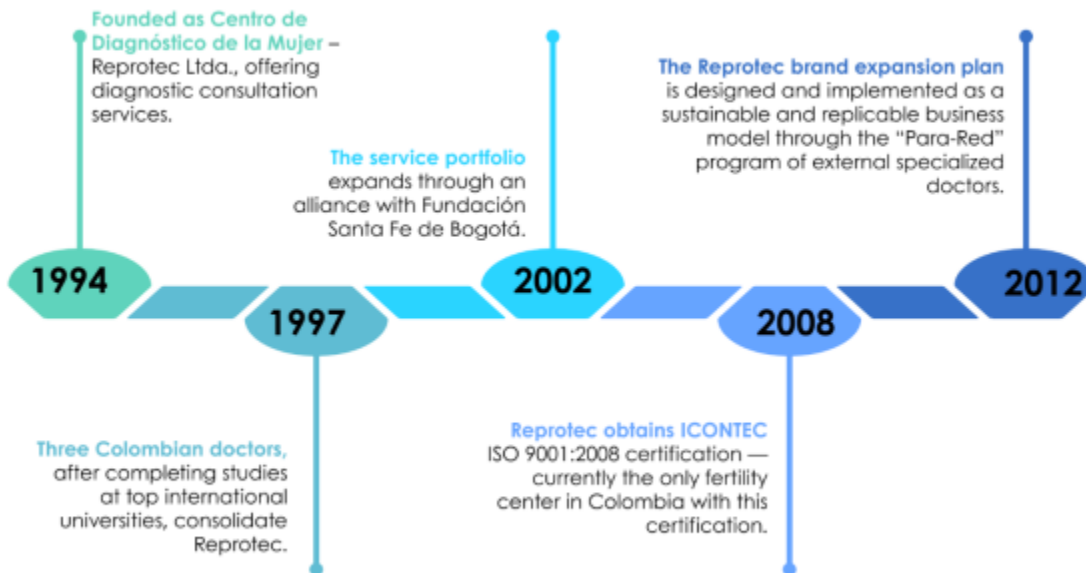


Figure 1: Timeline- Source own elaboration

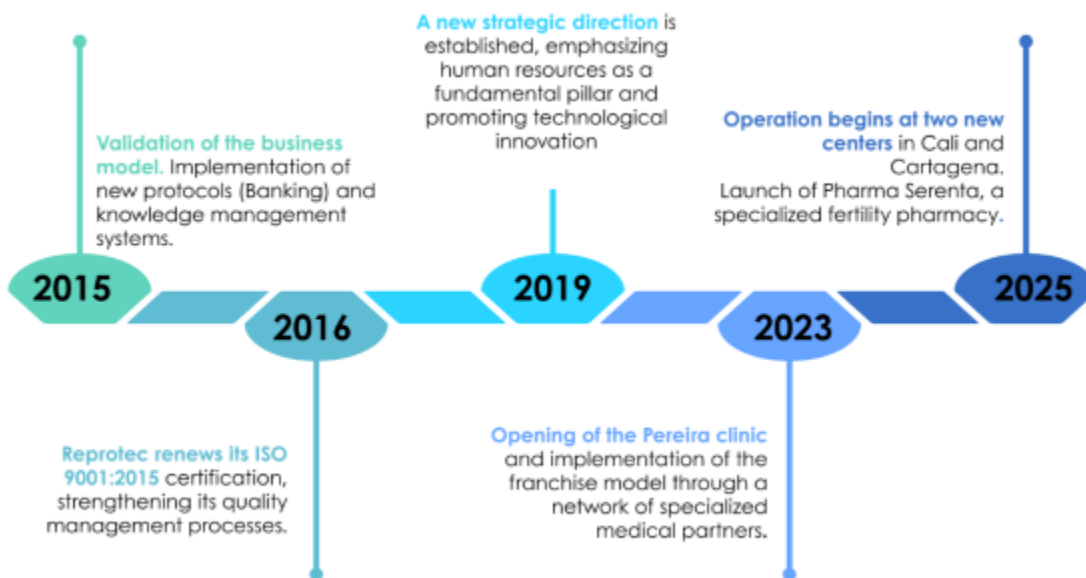


Figure 2: Timeline- Source own elaboration