Company Name: Globus Medical, Inc. (GMED)
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<<Ross Osborn, Analyst, Wells Fargo>>

All right, good afternoon. My name is Ross Osborn. I'm on the medtech team here at Wells Fargo. We're joined by the management team of Globus Medical. With us is Keith Pfeil, President and CEO; as well as Brian Kearns, Corporate and IR. So let's start at a high level. How would you characterize the current hospital capital spending environment? Has customers' willingness to invest in enabling technologies changed over the past 12 months, and where do you see it going?

<<Keith Pfeil, President and Chief Executive Officer>>

I think, first off, thanks for being -- or thanks for inviting us here. We're thrilled to be here today. It's been a great day. Capital environment from a hospital perspective to me seems fairly stable. I think there has been some ebbs and flows from quarter-to-quarter, but overall I don't see a, I'd say, marked change in how hospitals have a desire to acquire capital. As I think about our business, I think our pipeline is there. I think our pipeline is being worked. It's – the thing I spoke about on our last earnings call was really pushing and changing kind of the ways hospitals acquire capital, but I wouldn't say that there has been a hesitation on hospitals spending capital dollars.

<<Ross Osborn, Analyst, Wells Fargo>>

Good. And then 340B has come up a couple times this week. Any initial thoughts on hospitals' budgets being impacted?

<<Keith Pfeil, President and Chief Executive Officer>>

I mean, at this point, as it relates specific to capital, I don't really have a view of the budgets changing, but I think that that really speaks to more importantly why we need to remain flexible on how capital gets out there, because ultimately we want to make sure that we're putting capital into the hospitals.

<<Ross Osborn, Analyst, Wells Fargo>>

And then how about spine procedures? Just looking at volumes broadly, how they've trended since Q2, any thoughts on the second half of this year?

<<Keith Pfeil, President and Chief Executive Officer>>

So as we think about – we've come off three really strong quarters. We had 10% growth Q3, Q4 – I'm sorry, Q4, Q1, and then 7% in Q2. So we know we're coming up on tougher comps in the

back half of the year. As I think about our overall guidance, we feel comfortable with where we're at. No specific comments though as it relates specifically to spine procedures.

<<Ross Osborn, Analyst, Wells Fargo>>

What about the market broadly? You guys have obviously performed above market, but are you seeing any softness throughout the summer months and as we enter fall?

<<Keith Pfeil, President and Chief Executive Officer>>

I mean, to me it's typical – some typical softness in the summer months, but nothing that I would say calls into question how it looks versus previous years. So I think the spine market has performed pretty well over the last several years. I think we've performed better than market, but as I look at our spine business we still seem like we're extremely confident with where we're at.

<<Ross Osborn, Analyst, Wells Fargo>>

Great. And then as you guys chat with investors about enabling technology, is there anything that's misunderstood at this point, or do you feel like people understand the benefits?

<<Keith Pfeil, President and Chief Executive Officer>>

I think people understand the – our enabling tech. I would say that one of the questions that comes up is, as we've seen lumpiness in how our enabling tech has performed from a revenue perspective, I think there has been questions on the overall scope of that relative to the size of Globus. I remind everyone that enabling tech is about 5% of consolidated sales, so it's not a gigantic piece, but it's a very important piece. And as we think about enabling tech and where we're going, we really want to focus more on what I would call the razor-razor blade approach to drive the implant pull-through and replenishment sale.

Replenishment sale from implants, from service revenue, from things like disposables is we – our goal here is to place the capital into the hospital and then drive that pull-through. And to do that, we need to make sure that we're launching successful programs. It's not just about, hey, making it very easy for a hospital to get the capital. It's about getting it there and then launching the program, which means that surgeons are properly trained and the staff are properly trained. And really what we ask of our surgeon partners and their staff is that they take the time to work through a robotic case to learn how everything comes together, because ultimately if they invest the time up front, becomes better for them as they move forward.

And then secondly, as you think about enabling tech, also as you think about our robot has been in the market about nine years now. We still feel that we have a best-in-class piece of capital, but the thing that we're also focused on is as our surgeon champions have moved from the facility that they may have started at that brought the Globus robot, we want to make sure that those facilities have another spine surgeon in there that is embracing other robots. So there is a lot more time being spent on what I would call program development on the back end. Because the

more successful programs that you have out there, to me, number one, it drives that implant pull-through and it drives all the pull-through revenue you're looking to generate.

But then secondly, to me, it creates a better case for selling another robot. Like, what I'm looking to do at a facility is have the spine surgeons fight over the robot or have cranial surgeons also be looking to do some cranial cases. And I want to create that internal competition to generate then the second robot sale.

<<Ross Osborn, Analyst, Wells Fargo>>

Great. And then, at this point, how often are you occurring pushback on your robots? You've obviously been on market for a while. In the case where it's maybe a tougher sell, what is the pushback?

<<Keith Pfeil, President and Chief Executive Officer>>

I wouldn't call it necessarily pushback. I would call it, as more competitors have entered the space, I think there's more of a requirement from the hospitals to say, okay, surgeon A, you need to go back and look at all the alternatives that are out there. And to me, what that's caused is an elongation of the pipeline. So to me, it takes longer to close a deal. Irrespective of whether you sell it, rent it, lease it, the deals still take a long time to close. And that's been something that we've noticed over the last 12 to 18 months.

<<Ross Osborn, Analyst, Wells Fargo>>

Okay. Brian, anything you'd add to that?

<<Brian Kearns, Senior Vice President, Business Development and Investor Relations>>

No, that's pretty much it.

<<Ross Osborn, Analyst, Wells Fargo>>

Yeah. And then you recently acquired Higgs Boson Health. What does that team bring to Globus? And would you elaborate on their goal of getting to 95% good outcomes at 10 years? Sure.

<<Keith Pfeil, President and Chief Executive Officer>>

Sure. So as you think about Higgs Boson, we announced that roughly two weeks ago. In the grand scheme of things, it's an immaterial deal, but we view it as an important deal. I spoke on the last earnings call about stepping up our R&D investment. Higgs Boson brings really software engineering talent to the business. As you think about Globus and what we've talked about, getting to 95% outcomes, if you think about where spine is today, I would say best spine procedure is ACDF, one level, two level. 10-year outcomes, there was a study done in the late '90s from Hillebrand. It called out that there was about 70% favorable outcome after 10 years.

There's been additional studies that have occurred since then related to IDE trials that really corroborated that assertion.

What we want to do is, aspirationally, we want to get to 95%. And how does Higgs Boson help us do that? It really starts on the front end. We want to do a better job identifying patients and helping surgeons do a better job with patient selection. So as we think about someone who has a back injury, if they're a candidate for back surgery, we want to understand more about them, their age, their demographic, smoker or nonsmoker, what are their comorbidities? Because we want to do a better job matching the patient with the surgical procedure.

So we think about all of the learnings we've had from all of our cases and all of our data. We want to be able to take that patient and match it with the right procedure that then brings together our enabling tech, and then lastly, our implants and instruments, because we want to basically be part of that journey.

I've talked a good bit on the last several earnings calls, and even in some of my prepared remarks in our press release, about creating a closed-loop ecosystem. That closed-loop ecosystem, to me, the very front end is where Higgs Boson comes in.

<<Ross Osborn, Analyst, Wells Fargo>>

Got it. And then, we alluded to this earlier, but I believe the second quarter was your fifth consecutive quarter of above-market U.S. spine growth. What's driving that at this point? Is it new product cycle, more headcount, or is it taking share?

<<Keith Pfeil, President and Chief Executive Officer>>

It's a little bit of everything. As we spoke historically, competitive recruiting, implant pull-through, and new products are really the key drivers. But if I dig into that a little bit further, we've had success bringing competitive reps into the business. That's nothing new. It's something that Globus has done for the last several years. We continue to do that.

But when I think about specific products, like what are some more of the memorable products that are really driving some of this growth? Our line of power tools, our DuraPro drills, is something that's being well received by the market. We continually see more and more uptake. We've increased manufacturing capacity of both handpieces as well as the disposable kits that go along with them. That's been a really great product for us.

Think about our expandable cages. SABLE is a cage that still continues to outperform our expectations, and we still see more and more uptake of that where the customer is switching from an older technology or a competitor's technology and going after SABLE, which drives higher ASP than maybe some of our other expandables, but also represents share gains as we take business away from competition.

Procedurally, XLIF procedure is still a procedure that is very strong in our overall portfolio. So the message here is that our growth in is broad-based. If I step back from spine and look at some

of our other businesses, our trauma business is really, to me, coming into its own. I would say, at this point, I would say, we have a full bag. I'm very excited about where our trauma business is headed.

And as I think about the growth in that trauma portfolio, it's not just the legacy Globus trauma portfolio, but it's also the growing rod technology that we acquired or merged with when we brought NuVasive on.

<<Ross Osborn, Analyst, Wells Fargo>>

Great. And then, within the spine platform, where are you in the sweet spot of their launches? Are there any new products that need to be refreshed?

<<Keith Pfeil, President and Chief Executive Officer>>

So a couple of things I'll say that we don't really talk about new products coming. I think what I would say to you is after a period of several years of M&A and also organic growth, right now I feel like we're a business that's pregnant with new products. We just have to get them to market. So there's a lot of projects going on back at the home office as well as our San Diego facility of getting new spine launches out as well as trauma launches. One of the things, one of the products that I'm excited about is our recently announced SCRIPT spacers. They were 510(k)-approved a couple months ago. We're going to launch that later this quarter. That really brings us into the patient-specific implant business.

And we feel that we are differentiated here. We're bringing to market seven devices, spacers as well as rods. We're going to be able to pair those with our existing implant portfolio. Number one. Number two are these implants – patient-specific implants can be used with all of our technology, meaning they could be put in with our robot, with Hub, or not. So there's a lot of flexibility there, and these implants also bring the surgeon front and center to help design the case. These implants also will be able to use our expandable technology.

So as they're placed, they'll be able to be brought in at a low angle, low height, and then raised. So all of the legacy Globus technology, as it relates to expandables will be included there. From a procurement perspective, the surgeon will work to design the implants. That file will then be sent to us and we'll manufacture that over, give or take 7 to 10 days. That will then ship to the facility that then the procedure can occur.

<<Ross Osborn, Analyst, Wells Fargo>>

Okay. And then maybe on enabling tech, you said it's only 5% of total revenue, but still an important part of the company. Would you walk through the transition to more flexible models, how that's going, how you see it evolving this year and next?

<<Keith Pfeil, President and Chief Executive Officer>>

Yeah, at the end of the day, our goal is to place capital or to get capital, whether it's an outright sale with an upfront rev rec and 30-day terms, or something that's over a longer term of a lease or a short-term rental. From the standpoint of doing that, the point that we want to drive here is we want to remain flexible with the account and we want to be easy to work with.

Historically, we've been focused on driving the sale, driving the sale, driving the sale, and what we've seen is that it's really slowed down the ability or the strategy of getting the capital into place because there's been such a focus on that upfront revenue, when to me we're missing the boat on what's really going to drive – what's going to drive differentiation. To me, differentiation is going to be getting the capital into the account, launching a successful program, and then reaping the benefits on the back end of making sure that the capital is being utilized and driving that pull-through for us.

So in terms of that transition, our sales team is approaching it like they always have, except that there's now more tools in their bag for us to push for the customer to be able to choose if they so wish.

<<Ross Osborn, Analyst, Wells Fargo>>

Great. And when can we expect a stabilization in the growth rate of ET? I realize it's a small mix of the total revenue, but just in terms of the growth rate.

<<Keith Pfeil, President and Chief Executive Officer>>

I think you're going through a transition phase here in 2026. I think as you get into 2027, probably still have a little bit of that transition in early 2027, but I would expect that to normalize as you get more into the mid and back half of next year.

<<Ross Osborn, Analyst, Wells Fargo>>

And given the switch to a flexible model, like a low single-digit growth rate longer term makes sense for that plan?

<<Keith Pfeil, President and Chief Executive Officer>>

I don't know that I would call it a specific growth rate for enabling tech in and of itself. The way I want to characterize Globus is a mid to high-single-digit grower over the long-term. As we maybe slow down on some of the enabling tech business, the goal here is, again, to drive the musculoskeletal growth through the implants. So you might see a shift between musculoskeletal enabling tech, but overall, we still want to be a mid to high-single-digit grower over the long-term.

<<Ross Osborn, Analyst, Wells Fargo>>

And does that shift occur in 2027?

<<Keith Pfeil, President and Chief Executive Officer>>

I think you're going to start to see some of that shift happen in 2027. But again, if I think about some of the deals that we're out there actively working, some hospitals prefer to just buy them outright. So you're still going to see sales happening. It's just that I would expect over time the mix to really more gradually shift towards lease or other alternative financing models.

<<Ross Osborn, Analyst, Wells Fargo>>

Makes sense. And then you discussed the competitive landscape growing earlier in our conversation. With that, are you seeing any pricing or bundling pressure in competitive capital deals?

<<Keith Pfeil, President and Chief Executive Officer>>

There's more competition out there, but I wouldn't say that I'm coming at this day-to-day with price challenges. We're going to operate competitively no matter where we're at, because we don't want to lose a deal necessarily when we look at our competition. But as I think about all the competitors out there, I view kind of one competitor as the one that I'm faced with the most. And really what I want to make sure that we're doing is remaining flexible, because I think a lot of our competitors have the ability to switch out from an outright sale to more of a placement approach or a volume-based approach. I want to make sure that we're being able to respond to market and making sure that, more importantly, we're having strategic discussions about the capital versus it being kind of a one-time sale where it's, okay, I want to get that capital in and then forget about it. I want – as you sell in, I want the sale to be more of a partnership between our robotic and our implant sales force because it's, again, launching that successful program.

<<Ross Osborn, Analyst, Wells Fargo>>

Makes sense. And then how are you feeling about your sales force in terms of headcount?

<<Keith Pfeil, President and Chief Executive Officer>>

I want to keep it growing. As we think about our approach, our approach has remained the same. We want hunters versus gatherers. Our comp models are very variable in nature because we want people to drive growth. I mentioned earlier, we have a lot of new products coming. We want to continue to expand our territories. And as we seek to drive competitive recruiting, we want to bring in those competitive recruits that want to knock down doors and really grow their share.

<<Ross Osborn, Analyst, Wells Fargo>>

Great. And then again, smaller piece of the business, but International Spine's put up some great numbers. Where are you guys geographically and do you have plans to add on more countries?

<<Keith Pfeil, President and Chief Executive Officer>>

So we're in approximately 60 to 65 countries. If I think geographically, EMEA is our largest market, but Japan is our largest individual country in Asia Pacific. But as I think about where our growth has come more recently, I've seen growth, good growth in Spain and Italy and Portugal in the EMEA markets. Asia Pacific growth has been a little bit more broad-based. And when I think about LATAM, it's heavily focused in Brazil and Colombia as where we've seen that growth. Our approach is to go deeper in the countries that we're operating in. We're not necessarily looking to add more countries. We want to be able to go deeper and really continue to improve service levels in the countries that we're operating in.

<<Ross Osborn, Analyst, Wells Fargo>>

Great. And then I think last week you received CE mark for Excelsius.

<<Keith Pfeil, President and Chief Executive Officer>>

Yes, for E3D.

<<Ross Osborn, Analyst, Wells Fargo>>

Yes, 3D. What's the game plan there?

<<Keith Pfeil, President and Chief Executive Officer>>

Game plan there is to start rolling those out internationally. There's been – I think about some of the spine sales shows, Eurospine as an example. There's been a lot of excitement about bringing that onto the market. Our view is as quickly as possible to get quotes out there and start selling it and really working to package deals with our robot as well as imaging system. So we're excited about that. It was an important milestone for us.

<<Ross Osborn, Analyst, Wells Fargo>>

And is it going to be a broad-based rollout internationally?

<<Keith Pfeil, President and Chief Executive Officer>>

It'll be focused because the rolling out of the imaging system is a little bit different than the robot with just the ability of getting it there physically and getting it set up. But we'll take a, I would say, crawl, walk, run approach because we want to make sure the launches that we do are launched successfully because we want to drive that repeat business.

<<Ross Osborn, Analyst, Wells Fargo>>

Great. And then on ASCs, what's your mix now for U.S. spine?

<<Keith Pfeil, President and Chief Executive Officer>>

I would say that our mix is small relative to our overall spine business. I would say in terms of actual percentages…

<<Brian Kearns, Senior Vice President, Business Development and Investor Relations>>

Be a little over 10%.

<<Keith Pfeil, President and Chief Executive Officer>>

Yeah. Not a whole lot more. Do I see – well, actually, the second part to your question is, are we seeing more gravitation towards ASC? Yeah, I think that you're seeing that in places for sure, but I also think that you have to be cognizant of the complexity of spine cases. The more complex spine cases to me still remain in the hospital, multilevel, pediatric deformity, things like that. I think you'll still see those occurring in the hospital. Our ability to continue to grow into the ASC market is there. I think we have the implant portfolio as well as the technology options to do so.

<<Ross Osborn, Analyst, Wells Fargo>>

Okay, great. And then, maybe walk through your biologics business, what your attach rate looks like, and what you can do to increase it?

<<Keith Pfeil, President and Chief Executive Officer>>

We haven't really talked a ton about biologics attachment rates. What I would say is, from my perspective, it's an opportunity. We manufacture our own biologics, and that's something that we're continuing – it's consistent with Globus. That's something I see us continuing to do, and the goal is to really improve your biologic attachment rate. I think that if you look across our business, territory to territory, I think there's some territories that could do better than others, quite frankly. We're spending the time to build up our manufacturing base to make sure that as we push to drive more biologics in our business that we're able to respond with the product.

<<Ross Osborn, Analyst, Wells Fargo>>

What are the headwinds and tailwinds to attachment rate?

<<Keith Pfeil, President and Chief Executive Officer>>

Headwinds and tailwinds really is focus. As I think about many times, if I think about contracting, the contracting process, you may be on contract for implants, but you might not be on contract for biologics. There's been a focused effort territory by territory to see where those holes are and figure out when the next RFP is happening for biologics to make sure that we can get our products on contract.

<<Ross Osborn, Analyst, Wells Fargo>>

Okay, great. Maybe switching gears to Nevro, latest and greatest integration there, where are the largest opportunities to improve the growth profile of the Nevro business?

<<Keith Pfeil, President and Chief Executive Officer>>

Yeah. So Nevro, we are a little year – about a year past from the deal. We've taken a business that was give or take $400 million and lost about $100 million and really have turned it into a viable business from a top and bottom line. We called that when we acquired the business that we expected some sales disruption. That sales disruption didn't occur right away. It happened actually in Q1. And really the drivers of that, we instituted a lot of cost containment actions in that business, in fixed costs as well as some of the variable spend. What we sought to do with the sales force specifically was to adopt an approach that was more consistent with our legacy Globus team where the comp model is much more variable in nature. That created some disruption, which some folks believe.

We spent the last, I would say, quarter, quarter and a half on backfilling those roles. I think I commented on my earnings call, last earnings call, that we filled about 75% of those roles. As I think about where we're at in 2026, what I'm looking to see as we get into the fourth quarter is improvements in our trial volumes sequentially, so that as we get into 2027, you start to see the revenue growth. Trials are a great leading indicator of future revenue. That's where the focus is right now on the existing business as it stands.

<<Ross Osborn, Analyst, Wells Fargo>>

Okay. And then low-hanging fruit on the synergies with Nevro?

<<Keith Pfeil, President and Chief Executive Officer>>

I think we've taken significant cost actions. I think at this point where my focus is, because I mean, the last quarter we were what, at $22 million or $23 million EBITDA for Nevro standalone? So we've really turned that business around, I think, fairly quickly. I'm not specifically calling out a synergy target. I feel that we've achieved a lot of that. The focus right now is on growing top line.

<<Ross Osborn, Analyst, Wells Fargo>>

Okay, great. And then in August, you received approval for a next-gen HFX DynaM [ph] system. When should we expect the system to be available? What are the differentiating factors there?

<<Keith Pfeil, President and Chief Executive Officer>>

So we're expecting that to come in 2027. I believe the launch will be finalized at some point then going into 2027. Do you want to talk a little bit about some of the features?

<<Brian Kearns, Senior Vice President, Business Development and Investor Relations>>

Which one?

<<Keith Pfeil, President and Chief Executive Officer>>

The new product from Nevro.

<<Brian Kearns, Senior Vice President, Business Development and Investor Relations>>

Well, there's several things. There's that base technology, but just to take a quick step back, the whole concept of what they do that's different is a high-frequency technology versus low. It's clinically demonstrated in a Level 1 study to be superior to low-frequency stim. It can be used in a number of different ways as we're launching next year, but it can also be used in a number of other applications like deep brain stimulation, peripheral nerve stem, and several other areas. So this is an area where you could have closed-loop technology. You could have a number of different angles. That has historically been more focused in the low frequency, in most cases to deal with paresthesia and other side effects that patients don't like. With high frequency, that's not even an issue. So it's not something you generally need to do. So being able to turn off options, turn on options as patients might personally require is a very good option to have. So it's also a much smaller profile, so that helps as well.

<<Ross Osborn, Analyst, Wells Fargo>>

Then within high frequency, what does the competitive landscape look like?

<<Brian Kearns, Senior Vice President, Business Development and Investor Relations>>

What is the landscape of the high frequency?

<<Ross Osborn, Analyst, Wells Fargo>>

Just competitive landscape.

<<Brian Kearns, Senior Vice President, Business Development and Investor Relations>>

Right now, we have a patent protection that basically protects us from any other entrants. We have several years on that, and we're working on other technologies to extend those patents.

<<Keith Pfeil, President and Chief Executive Officer>>

And the other thing to point out is when you think about Nevro and the why, it opened up a new addressable market for Globus. If you were a candidate for back surgery and you don't want back surgery, you had this option to do an implantable pain device. If you were someone who's already had back surgery and doesn't want another back surgery, but you may need one, this is another option for those patients. But it also wasn't just the business that we saw.

To Brian's point on the patents, the patent portfolio we saw as opportunities for us to develop in other areas. We've talked a little bit about cranial. Right now, our robot is available for a cranial application, but we don't have that ability to drive disposables and pull-through. We see there might be opportunities with high frequency to have us enter into the cranial space. But we haven't given a ton of detail on that. But the point that I want you to leave with is that it wasn't just for the business that it was when we acquired it.

<<Ross Osborn, Analyst, Wells Fargo>>

Okay. And then looking at 2027, I believe consensus is modeling 6% top line growth. Do you believe that's a good place to be entering 2027? And what would have to occur for you guys to be high single digits?

<<Keith Pfeil, President and Chief Executive Officer>>

So we're not guiding specifically right now on next year. But I would say over the long term, we want to be a mid to high single digits grower. As I think about going into next year, the drivers to me are really three areas: our spine business, both U.S. and international. In our U.S. business, we want to see continued drive growth. We see the ability to drive more competitive recruiting. International, over the long term, we think that is a low double-digit grower. We'd like to see a return of growth to Nevro and then really see the benefits of our enabling tech business, not to only mention trauma is continuing to grow, but trauma is still a fairly small number. But I see that business having the ability to grow exponentially as we look ahead. Overall, I feel very positive about where the business is. Once we get some more of these new products out the door, I think we're set up really well to look into the future.

<<Ross Osborn, Analyst, Wells Fargo>>

Okay. And then looking at the P&L, just tailwinds, headwinds on gross margin, operating margin?

<<Keith Pfeil, President and Chief Executive Officer>>

So we – when we announced the new deal a couple years ago, we talked about returning to a mid-70s gross profit profile. I think you've seen the last eight or nine quarters of continued sequential improvements in our gross margins. We still stand by our statement of getting to that mid-70s range, which 72 to 75 is where I see this business landing. How are we getting that? Through additional insourcing activities. The opportunities that we saw with NuVasive when we announced the deal are still there. We're working through the insourcing activities there.

Nevro, that business already had a fairly high gross margin, high 60s. I still see a little bit of an opportunity for incremental gross margin expansion there. And as you continue to drive that growth, you're going to get operating leverage. But the thing I do want to call out is we're going to continue to invest in our business from an R&D perspective.

I spoke on the last earnings call about a specific increase in headcount related to our product development teams. We see that taking shape here in the third quarter and into the fourth quarter and as well as next year. As you think about the business growing and gaining profitability and getting leverage, I wouldn't just say that that's going to drop to the bottom line. We always said we wanted to be a mid-70s gross profit business and mid-30s EBITDA. I think we're pretty much there at this point. We want to then take those funds and find ways to reinvest them.

<<Ross Osborn, Analyst, Wells Fargo>>

Great. And outside of internal investment, how are you thinking about capital allocation?

<<Keith Pfeil, President and Chief Executive Officer>>

Capital allocation right now, internal investment I'd say is number one, share repurchases second, and then thirdly, M&A. I would think that right now where we're at, any type of M&A would have to be focused in areas where we might not have business. When I think about musculoskeletal, complementary pieces of technology, or as I think going into the future, taking a little bit of a slant a little bit more towards medtech. I want to think about all the things that we have coming along from an internal development standpoint, but any deal that we do would be more of a tuck-in in nature at this point.

I, I really, you know, after several years of doing deals, I think that, you know, there's a lot of product development going on that puts us on the prep, right on the forefront of getting some of these products out. I want to get these out and drive some of our organic growth that we see coming. We think we have a lot of stuff that's in the hopper that'll be exciting to talk about as time passes.

<<Ross Osborn, Analyst, Wells Fargo>>

Sounds great. With the remaining time, I'll leave it to you guys for any closing remarks.

<<Keith Pfeil, President and Chief Executive Officer>>

Yeah, I think overall, I think Globus is really well positioned. The business – we still have a strong balance sheet. I don't see that changing. That allows us to be flexible. We want to continue to invest in internal R&D. As we continue to grow, over the next five years, I say, you know, we candidly, at some point, we want to double in size again.

To do that, there's a – there's organic growth opportunities, but there'll also be some timed M&A that will occur. We want to continue to fill out our bag along our trauma business, as well as our joints business. Not a lot to talk about there yet, but there's a lot of irons in the fire that really position us well as we move forward. We're going to – we're still very much a spine company, but we're also working to become a more diversified musculoskeletal player and musculoskeletal medtech player.

The idea of improving outcomes is a key focus of ours. The 70% to 95%, David and I have been talking about that at length. And Higgs boson, we're very excited about bringing that into our – into our repertoire of products because we think that really can help differentiate us as the market continues to grow and adapt as time passes.

<<Ross Osborn, Analyst, Wells Fargo>>

That's great. Thank you for being here.

<<Keith Pfeil, President and Chief Executive Officer>>

Thank you.