

Kiwitech Show 1 - Transcript - 2022-02-09 KiwiTech AIP

“How to Spot the Best MedTech & Healthcare Deals in a Changing World”

Hall Martin: thank you to everybody who's joined us today for this great event. The title of the event is How to Spot the Best MedTech & Healthcare Deals in a Changing World. We have an exciting panel of five experts in this area, and to kick it off, we'll go and have each one introduce themselves. So first up is Orrin Ailloni-Charas of Cura Capital. Orrin, can you tell us a little bit about yourself and your firm?

Orrin Ailloni-Charas: Hi, thank you. Hall, first, it's a pleasure to be here. Thank you for inviting me to join the panel. My name is Orrin, I'm the managing director of Cura Capital. I'm also a doctor and anesthesiologist with about 30 years of critical care anesthesia experience, and I've been investing in digital health and med devices since 2016, and I think that's about it. I'm based in San Francisco, California, and I'm raising funds right now if you ever want to chat.

Hall Martin: Great. And next up is Alfred Fasola of ADOH Scientific. Al, can you tell us a bit about yourself and your firm? We'll circle back. Let's go on to Nicholas Hense of Innovation in Motion. Nicholas, tell us a bit about yourself and what you're doing.

Nicholas Hense: Thanks, Hall, and thanks everyone for having me here. My name is Nicholas Hense, and I spent about five years in energy investing prior to joining iiM last October. So I joined the team as an associate, and our group is investing in agriculture, animal health, and human health companies; and over the past couple years, we've invested in about 17 early stage companies and then participated in a few follow-on rounds subsequent to those investments. So I'm excited to be here, and looking forward to the panel.

Hall Martin: Great, thanks, Nicholas. And now, let's come back to you, can you tell us a little bit about yourself and ADOH?

Alfred Fasola: Sure can. Thanks for having us Hall, and for setting all of this up. Firstly, full disclosure, this white hair is not hair coloring, I've actually earned this the old fashioned way. I'm on my third career, about a decade in government and 20 years in turnaround, buyout, and M&A. And about five years ago, I saw a family and a personal friend to be very, very poorly diagnosed with catastrophic consequences, and as I ran down the reasons it became clear to us the questionnaires didn't work, and the doctors were now working in a very sterile environment with the HR, and the people didn't know each other in a doctor-patient relationship, and we've committed to ourselves to solving that problem.

Hall Martin: Great, thanks Al. Next up is Janice Orlando of Pasadena Angels. Janice, can you tell us about yourself and what you're doing?

Janice Orlando: Hi, thanks for having us. This is a great, great opportunity to see some companies. I'm looking forward to that. And yeah, I've been in different industries for a long time. My investments are pretty agnostic, and in recent years, have really enjoyed some bio and health related investments and funds and individually and really enjoy that. Pasadena Angels, I'd like to tap them just a little bit, because we have quite an organization, and we've probably invested in about 250 companies to the tune of about \$94 million. We've had a lot of exits and have a great group of over 100 investors in our group, so we would invite people who are looking for funding to check us out, and I'd be happy to make those introductions if it's appropriate. And thanks for today, looking forward to hearing your companies.

Hall Martin: Great. Thanks Janice. And next we have Roberta Gilardi of G2 Startups. Roberta, can you tell us about yourself and your firm?

Roberta Gilardi: Thank you Hall, and thank you all for inviting me. My name is Roberta Gilardi, I am CEO of G2 Startups and of G-Gravity. I have a background in business, I spent my last 30 years in as a consultant in business and strategic marketing. And in the last 15 years, I moved to the innovation arena, so I started as a business angel in 2005 here in Italy, and investing in small startup and early stage startups as a business angel. And then in 2010-11, with my brother, Massimiliano, we found that G2, which is an advisory company that works on innovation processes for SMEs and corporates. And then during pandemic in 2020, we decided to focus more and more on the healthcare and digital industry, so we decided to create a specific app which is called G-Gravity. And so, I run also this hub, and we help companies in work and innovation, and we mainly use startups as an innovation service for them, so we ask between these two words that are very different, because between corporates and startups there is a real gap, and we help them in collaborating and working on innovation.

Hall Martin: Great, thank you. So for those in the audience, if you have a question for the panel, go ahead and put it in the chat box and, time available, we'll be able to answer those. But the first question up to the panel is: what is the main trend in healthcare and/or MedTech – can you give us some color on what you're seeing out there? Orrin, let's start with you.

Orrin Ailloni-Charas: I think that the main trend that I'm seeing right now is the move towards incorporating the cutting edge technology into healthcare, and by that, I mean, artificial intelligence primarily. We're seeing so many advances now in that space, and really, healthcare has been a greenfield opportunity for that.

Hall Martin: Great. Thanks. And Al, what would you say about that topic, and for all the panelists, go ahead and leave your video on for the panel itself? Al?

Alfred Fasola: Well, echoing what Dr. Orrin said, there's a massive trend for digital health right now, not just for a health equity perspective, but because it gives us the opportunity to touch more people in a meaningful way. It's the mental health crisis is bringing a tremendous amount of capital at play, because of the disparity between supply and demand, and those two issues of the digital and the mental and behavioral health have collided, I think to create a massive opportunity for investment.

Hall Martin: Great. Thanks. And next, Nicholas, what is your take on that?

Nicholas Hense: Yeah, in addition to those trends that were previously mentioned, I think a couple of other trends are just in the health payments platforms. We've seen a lot of companies that are out there trying to streamline the payment system and the payment processes. And so, I think that that's a big trend that will continue to move forward.

Hall Martin: Great. And Janice, what's your take?

Janice Orlando: Yes, I agree, and one thing that I've really noticed is there's a big emphasis on security, and how that relates to medical and the flow to HIPAA requirements, and I think a lot of companies are coming into that space to support the biotech world. I've seen a lot of startups and activity around that area as another way to augment the health industry and the bio world.

Hall Martin: Great, thanks. And Roberta, what would you say to that question?

Roberta Gilardi: Well, I think that there are many trends, especially in healthcare and digital health, so we see, for example, deep tech, that is entering more and more into biotech, into pharmaceutical industry and so on. But I think that there is also an interesting convergence of, for example, among digital health metric, biotech, and deep tech. So I think that will be new spaces in which we will see a new project and new business. If you think, for example, application in artificial intelligence on drug discovery, but more and more the application of technology together with biotech. And I think that is interesting to see, especially from my point of view here in Europe, we doubled the investment in startups from 2020 to 2021. So also the pandemic, I think it's been really a huge driver for investment and healthcare.

Hall Martin: Great. Next question is: what question should the investor focus on in a diligence process for a healthcare or MedTech company? AI, let's start with you.

Alfred Fasola: Call me old fashioned, but it all boils down to the team, the vision, the value and the culture that's being put into place, and establishing a relationship around those issues. I think that, frankly, the entrepreneur is well ahead of the venture community in terms of innovating business models. We have taken an acquisition approach to growing, and we're requiring businesses in the first instance, to be able to take the technology risk, and to take the moral hazard and to compress time. That's a

model that's not very familiar to the investment community. I'd like to see there be more cutting edge innovation and conversation between the investment community and the innovative entrepreneurs. I'm not sure we're getting to the essence of due diligence when we start with looking at past performance and try to extrapolate the future by looking backwards.

Hall Martin: Great. And Nicholas, what do you focus on in diligence in this space?

Nicholas Hense: Yeah, I think deep dive into the intellectual property and patents is extremely important in the healthcare space, and then, just outside of that, I think investigating the regulatory pathway is also a must, just because you want to have faith that the company can get their product to market. So I think that those are a couple of important aspects of the diligence process.

Hall Martin: Great. And Janice, what's your take on that question, what do you guys look at?

Janice Orlando: Well, all of those items, of course, and I think just from experience, oftentimes, I'm not sure that the med, early stage medical companies focus as much on the business model as maybe they could, and I know from an investor who's not medical focused, it really is helpful to get at least a fractional CFO, get someone in the loop so that, as investors, we have confidence that you're going to have enough runway that you're actually going to make this work, and over time, really build a business model. I think that's one of the things I've seen, I mean, it could be the greatest product in the world, but if you run out of money too early, we're all in trouble. And so, it's really building confidence in who's investing in you that you can really see through all the IP and the regulatory issues, and you have the runway in place, and you have backup, and you can speak to that well. So I think that's a huge piece, and bringing someone into your team who actually can speak to that and has those kinds of answers in a different way than maybe a medical model person would.

Hall Martin: Great. Roberta, what's your take there?

Roberta Gilardi: Well, I totally agree with Janice, because, especially when you approach startups in the very early stage, and especially in healthcare, digital as a metric, they are founded by scientist and sometimes they do not have any managerial experience, and you have to bring them to the market. They don't know sometimes the market, they focus on the innovation, so maybe on the pattern, so okay, you have to go through the technology on one side, but you have to evaluate the team and to integrate them, and so, also to build up with them the business model and the way they are going to grow. So it's very important to evaluate these aspects, and also to help them grow their entrepreneurial mindset for me.

Hall Martin: Great. So next question to the panel is: what is the key skill the team needs to have in the MedTech Healthcare space? Nicholas, let's start with you.

Nicholas Hense: Yeah, I think a key skill that the management team can have is, if they've had previous exits or companies that they founded previously, I think that that's a good skill to have, obviously, experience in the medical field is also an important skill to potentially have. And then, I think that just a management team that also has a strong set of advisors and board of directors that can provide advice and operational support is also an important aspect.

Hall Martin: Great, thanks. And Janice, what key skills you think they should have here?

Janice Orlando: Yeah, I think it's a challenge for someone who's very technical to bring in a team that has the iterative abilities to see a business through. So I think that the talents on all ends, just like I mentioned before, on multiple levels are great, because – and the experience, especially in navigating through IP and clinical trials and outcomes, if – I personally, we don't really invest in ones that have not had that experience, because it is challenging, and even the best have obstacles to overcome. So experience in that area is huge.

Hall Martin: Great. And Roberta, what skills would you look for here?

Roberta Gilardi: Well, I think that besides their experience and track record and so on, I think they have to be open-minded. So they have to be open to build up a team and to collaborate with advisors and investors, in order to grow the business, sometimes it is difficult because they are not, especially in Italy, especially if they come from the academic environment, there isn't a culture, an entrepreneurial culture, and so, it's important for them to be to set up their mindset.

Hall Martin: Great. And then Orrin, what's your take here?

Orrin Ailloni-Charas: Well, everybody's making great points, but I think I'll echo what Roberta said, which is that, if you look at the nature of these businesses, they are typically scientists or researchers coming out of institutions and building businesses is not necessarily their skill set. So what I need to see is the ability to build a team, which means knowing what you don't know and hiring complementary skills. I don't think that things like the FDA have to be challenging, but there are a lot of resources available to help you do that well and efficiently. You don't have to hire somebody to do it, but you definitely have to have a strategy and potentially a consultant. So I think knowing what you don't know would be the greatest skill and figuring out how to get it.

Hall Martin: Great. And Al, what's your take?

Alfred Fasola: Well, these are great comments. But let's start with the basic. This is not easy. When you're talking about a medical technology company, you've got to be able to bring in scientists, you've got to be able to bring in data scientists; you have to have people that understand relationship building, marketing, business development; you

need at least a fractional CFO to be able to model this stuff. So it is not easy. And I think a certain amount of blend, just like any kind of an orchestra is really important here. And the thing that I believe is the single most important thing is culture. With all that diversity, if you can fix in on basic values around trust and respect and responsibility and accountability, you at least have a shot at it. I would like to see the financial community get involved in these things earlier, and not later. That's the dichotomy that I see, because a lot of the support that some of these early stage teams need is the kind of insights, and I'm seeing on the call here from experienced investors. It all boils down to people.

Hall Martin: Great. So the next question is, what should an investor look forward to invest here? Janice, can you tell us what you look for, and what's your criteria to make an investment?

Janice Orlando: Well, because I'm not medical, I look for someone who can speak nonmedical ways of explaining what they're doing. I think sometimes I hear the best pitch ever, and I don't really understand it because of the acronyms and the language that's used. So some startups are easy, I guess, are able to talk to the medical community as investors only, but then there's the rest of us who are not medical, and so, I look for good communication skills, because I think growing the business, they're going to have to speak to nonmedical people a lot, in terms of teams and fundraising and building out the business. That's number one. And number two is really about the depth of their experience, I think that that's just the biggest thing, and then the pitch I'd like really like to hear that piece, and know that they're actually focused enough on what it is there is, and that there's a big enough market. I'm always looking for the size of the market, I think there's a lot of niche products that can be very important, and maybe they solve a problem for a very niche group of medical people. And then, they're not – the _____ isn't big enough. So I'm always looking for the size of the market.

Hall Martin: Great. And Roberta, what do you look for to make an investment decision there?

Roberta Gilardi: Well, a part obviously see also the start of the business, the business models and understanding very well which is the impact of this new product application or business, I think is also important, especially if you work in early stage to understand what's next. So who is going to buy these things in the next two-three years, so yes, it's not just, oh, I like very much this project is, I used technology or so on, it's who's going to buy my _____ next year. So how is going to be, and so, how the project also could fit some trends or how it can then grow in the market, know very well the market, the projects itself address and so on and so on. So it's very complicated, especially at the beginning, and obviously, people and also the ability of the team to create relation with us and with our ecosystem, so it's important since the business is very complicated and specific. I think is important to build up not just advisor, but also a support, an ecosystem, and create relation and interact, especially here in Italy, we're a small country compared to US in investment and so on. And so, we, for example with Gravity,

we are establishing connection with other ecosystems throughout Europe to build up the next stage before it arrives, so to try to understand in advance what is going to happen.

Hall Martin: Great. And Orrin, what's your take here?

Orrin Ailloni-Charas: I have three things to say, but I'll be brief. The first thing is that Cura when we invest has a parallel goal. The first goal, and, of course, this is true for every investor is that we have to show a return on investment that we think is really significant. So to that end, I have to see that when we invest a certain amount of capital in your company that it meets the risk and reward stratification that we've established. So that's really critical, and a lot of times, I see companies don't have the market capitalization potential and the revenue potential that we need to justify high valuations. So you have to really understand your business. The second thing is we want to transform medicine, so we're looking for real innovations, rather than nibbling around at the edges. But that's defined very loosely, and then the third thing I'll say, because there are a lot of entrepreneurs on the channel today is that a venture investment is really some form of a marriage. And so, we're expecting to come in and support you and work with you. That means that we want to have a good relationship. We want to enjoy it. And so, that's really very subjective, but I don't want to invest in people that I don't want to spend a lot of time with, and they don't want my money if they don't want to spend a lot of time with me, because they're going to get it. So I think that relationship is really critical, although it's – I added that because it's soft, but the first two things are important is transformation and return.

Hall Martin: That's a good point, very good. Al, what's your take there?

Alfred Fasola: I love this discussion. We can go through all the financials and the business model and the IRRs, the team, and the IP, but that ultimately boils down, I think I wouldn't be looking for two things, and I am an investor in healthcare, so I think I can speak from that side of it. Number one, are you adding cost effective care that is not incremental, but, at least, a multiple of five? And that may sound a little cynical, but healthcare has become a business before it's a care treatment process anymore, and it's follow the money, you got to be able to hit the sharp edge of the business and have a demonstrable return; and you've got to enjoy the people that you're working with. You got to get up in the morning and look forward to seeing your team and learning from them and building together, and we look for the same thing in an investor. So Dr. Orrin, love to talk to you. You look like somebody it'd be fun to spend time with.

Orrin Ailloni-Charas: Thank you, likewise.

Hall Martin: And Nicholas, what's your criteria there?

Nicholas Hense: Yeah, a lot of great things have already been said, so I'm sure I'll have a little bit of overlap, but definitely analyze the total addressable market, and how the

company kind of plans to gain market share, and kind of along with that, have a sales plan in place and be able to communicate that with investors. Another thing that I think is pretty important in this space is kind of analyzing what the current standard of care is, and can, you know, this startup improve that standard? And then lastly, I think talking to customers is an important aspect as well, if it's a medical device company or whatnot, and see if the industry need is widespread enough for the company to scale.

Hall Martin: And Janice, how about you?

Janice Orlando: Yeah, I would add to the adoption conversation, because it seems as though any of – if there is a prototype, there is some sort of adoption that can be shown, even if it's anecdotal, it's really helpful, because otherwise it stalls our process, because they were going out to people in the industry and asking their opinion and it slows the investment process down. So to the degree they can provide that on in their pitch or in their presentation, and with conversation we can have, it's really helpful.

Hall Martin: Great. So the next question is: what's the biggest mistake you see startups make in the MedTech healthcare space? And, Orrin, let's start with you on this one.

Orrin Ailloni-Charas: So I think that when investors come to me, there are a few comments I would give them with respect to their deck and their presentations, number one is don't exaggerate anything and give me data, give me real data. We can see through projections that are ridiculous, and that ruins your credibility, we all understand that it's a hard long road to get a product to market, and what we're looking for is somebody who has clear eyes about what that process looks like. So when you come up with fantastical numbers, that doesn't make sense. The second thing I would say is you have to be able to take feedback. We are here, as I said earlier, we're going to give you feedback, and we want to work together and we want to see your flexibility and openness to that. I won't be right all the time. I'll probably be wrong more often. But a lot of that is throwing spaghetti at the wall, and if it's clear that the entrepreneur is not interested in that right away, I'm not interested in working with them.

Hall Martin: Great. And Al, what's the biggest mistake you see being made out there in this space?

Alfred Fasola: I guess, three real quickly, one is expectations, I see many unrealistic expectations. The world is not going to jump to a new product without evidence. Evidence takes time, and I see so many bright, young people putting their lives on the line, and they have no money. And so, I think practicality at the outset, that what has to go with vision, and what has to go with better mousetraps is realistic expectations in terms of how much time does it take, how much money does it take, and what do you need to build credibility.

Hall Martin: Great. And Nicholas, how about you?

Nicholas Hense: Yeah, I guess, I just have a couple of examples, like, for instance, a medical device company that may not be able to replace the current standard of care, that could be a mistake, a red flag, another would be kind of a therapeutic company that might not fully progress, or have line of sight through the regulatory pathway. That's obviously an important and crucial aspect of a startup. And then, lastly, just if a company has or experiences a lot of competition, that would be difficult to get an investor on board to invest in the company.

Hall Martin: Great. And Janice, what do you think?

Janice Orlando: Yeah, I'm just going to go back to the very beginning, because I see so many _____ never even get past the first pitch into even due diligence, and most of it's about communication. And the mistake I see a lot of them making is just not speaking to a nonmedical off audience in the event it is a nonmedical audience, which we typically are. And it's unfortunate, because I think in so many cases, we may be overlooked some really good product, because we really don't understand, we don't understand it, and we don't have the anecdotal conversation. And so, that's all about the team again, you know, somebody pitching in a way that's meaningful to the investor. And then, I think the coachability piece that Dr. Orrin spoke of, I think that's huge. It's just like, are you able to communicate, do you get the impression that you can have influence, that they look at you as an asset and not a liability. So I think those are two biggest mistakes I see companies make.

Hall Martin: And Roberta, how about yourself, what do you think about this?

Roberta Gilardi: Well, first of all, I think the first mistake is falling in love with the technology without looking at the rest. But sometimes, for example, since I work mostly on the business, I rather prefer not to see numbers in Excel, because the business plan in Excel works very well, but then you have to bring the business plan from Excel to reality. And then, it is important, for example, especially, for example, if you have some physical product to understand very well the impact of industrialization, and sometimes, if you have to deal with scientists or so on, they under-evaluate the impact of transferring a prototype to an industrial environment, for example. So there are many mistakes that sometimes startups do in this, in transferring also information. So also, the ability is – and also when you have a very able spokesperson from the staff _____ not to fall in love with the spokesperson, and with the idea, but then go to the evidence and see if they know about the market or help them in understanding which are the difficulties, and so the weak points of their proposal.

Hall Martin: Great. So very good. Next question: we just had an all-time high stock market a few months ago, we are in a bit of a correction now, so how are you guys finding the valuations out there, are they still where they are, are they coming down, are they going up, what do you think we're seeing relative to the value of the startups? Al, Let's start with you, what do you think the valuation scene looks like right now for startups?

Alfred Fasola: Generally chaotic, I think people are overspending, chasing trends. But what do I know, I was an early investor in telehealth, and I thought I was the dumbest guy in the world until the black swans collided, and then all of a sudden, I got really smart overnight. So I don't know what to say in terms of the future, but what I do believe is going to catch the winds, and the _____ valuations are firms that are positioned to understand what this long tail of COVID is all about. Because we have not seen the end of this, the bubble is still blowing, and the winds are still blowing, and there are millions of people who've deferred their care, and I think there's going to be a second wave. And so, companies that can attack that supply and demand problem I think are going to be catching the fair wins on valuations.

Hall Martin: Great. And Nicholas, what's your take there?

Nicholas Hense: Yeah, I think valuations have remained strong, maybe slowing a little bit with the inflationary pressures, and also, rising interest rate environment typically hurts the public and private markets. However, in 2021, we saw a record number of venture capital deals and record amount invested in the venture capital space, and, particularly, the healthcare space. Recently, we saw Oracle acquire Cerner, which is actually a company based in my hometown, Kansas City, be acquired for \$28 billion. We're seeing unicorns pop up left and right, so that could lead to a decrease in valuations going forward. But at the same time, I think the space is strong, and there are a lot of technological trends that can kind of bolster the valuations moving forward.

Hall Martin: Great. Janice, what's your take on valuations these days?

Janice Orlando: Yeah, I think they're strong, I don't think they're going to collide too far, because I think there's a lot of cash people are still rolling out. And so, there's a lot of demand still for product, however, I think that the investment market will utilize the downturns as a way of negotiating valuations, regardless of the amount of cash that's out there to spend, I think that companies are going to start seeing some tougher terms and maybe some valuation shifts, that's my take on it that if I were going to market right now, I would gather cash now as opposed to later. That'd be me. I think it's a good time to still, it's still strong enough for the companies to get cash with good terms, but I think it might change in the future.

Hall Martin: Okay, great. And Roberta, what are you seeing there on valuations?

Roberta Gilardi: I think that's, first of all, we have to make some differences between the US market and Europe and Italy, especially – if you consider them during 2021, the rule, amount of money invested in startup in Italy was slightly exceeding 1 billion. So _____ very small market with very few unicorn, just one or two in the biotech field, for example _____ biotech quoted on NASDAQ, or listed on NASDAQ is the only one I can say coming from Italy. And so, it's a different market, we are not in a bubble, but I see some opportunities because European market, and especially in Italy, we have good

research, good startups, and we are making a lot of selection, and I think it could be an interesting market for investors since here evaluations are very, very, very cheaper compared to US. So I think that we can also try to understand how to work more and more between US and Europe, in investment for startups.

Hall Martin: Great Orrin, what's your take on valuations in today's market?

Orrin Ailloni-Charas: So my take is that valuations are up, I think they're increased and maybe not necessarily a good way. We've seen year over year increases in venture funding, we've also seen year over year increases in exit activity and lofty step-ups in valuations. So, from a financial perspective, the healthcare market is very good, but my concern is that the next round risk, which we're all familiar with, which is okay, you can raise this round at a nice valuation, but then you can't get capital the next round, and then you end up doing a down-round and your investors get hurt. And so, I think it's really critical for companies when they're setting their valuations and agreeing to terms, recognize that irrespective of whatever the market place may be telling them, that getting good investors on board at fair valuations is more important than the social cred of saying you were able to close at a very high valuation that round, because healthcare is so dependent on investment, right? And this is the critical part about healthcare, which is that in order to get through the regulations, the FDA, the CE mark, it requires basically grants and investments. And so, if you raise a high early valuation and still require several rounds to get through the FDA, you're ruining your chances of succeeding, because other investors aren't going to come in downstream. So I think you really have to think about that big picture, it's different in other markets where you can go to market, drive revenue and show revenue. There's still quite a bit of risk on the table in our space.

Hall Martin: Great. Thank you guys. This is our final question. If you could just give us a just short answer to this one: where can investors find more of these MedTech healthcare deals, were you finding success with that? Nicholas, what is your short answer to that?

Nicholas Hense: Yeah, a couple of answers, pitch competitions, networking events, and conferences are big avenues, and then, check out local angel networks and potentially incubators would be also a couple other avenues where you could find deals like this.

Hall Martin: Great. Janice, what's your source there?

Janice Orlando: Yeah, you pretty much covered them all right there, Nicholas, that's great. And then I just think universities might have a source of interesting new products as well.

Hall Martin: Great. Roberta, what's your short answer to that question?

Roberta Gilardi: Well, in our landscape, here in Italy and throughout Europe, I think it's a good way is collaborating – it's a collaboration between investors, VCs, and business engine network and innovation apps and incubators, because we collect and prepare a project for them.

Hall Martin: Great. And Orrin, what's your source there?

Orrin Ailloni-Charas: So our primary source, aside from our personal networks and referrals that we get is our affiliation with some of the top academic institutions like Stanford and UCSF. So we get really terrific deals that we see and get to pick from them, and I think all of us because we're early, probably get to see deals before really we get the first choice, the first chance at these deals. So that gives us a little bit extra leverage with those people.

Hall Martin: Great. Al, what's your source out there, where do you find them?

Alfred Fasola: Well, it's unambiguous that you have to go on the TEN Cap network to find good deals. I certainly don't want to work against myself, but I talk to a lot of doctors, and when you talk to doctors and you talk to patients, you start to get a sense as to where the sweet spots of opportunity are in investing. So I wouldn't forget to look at the sharp edge of the spear.

Hall Martin: Great. Well, we're at the end of our panel. I want to thank all the panelists today for their insight, their experience, and their wisdom. Appreciate you guys sharing that with us today. And with that, we'll go and close the panel, and we'll pass it back to KiwiTech for the startup pitches. Thank you so much, guys.