



MEDTECH CORPORATE VCS: WHAT THEY WANT & HOW THEY WORK

Two of the MedTech Industry's juggernauts joined on stage recently at @LSI's Emerging MedTech Conference in Dana Point, California. These representatives – from their respective Venture Investment divisions, shared what they look for in potential acquisitions and investments and how the Venture Team operates within the broader corporate landscape.



@Michael Ryan
from Boston Scientific leads
its venture arm



@David Allen
from Medtronic works in its
venture investment division

We've assembled some outtakes for you:

THE VENTURE TEAM AT BOSTON SCIENTIFIC:

Total team covers about 40 people – 20 of which are specific to the Venture team. Others share hats with divisions inside the company.

No matter which sector or therapeutic area your technology or innovation serves, the entry point is this same group of 20 people. Boston Scientific will only invest in an innovation or technology if there is a fit with a current line of business (consider recent Axonics purchase). As Michael put it, "We need to see synergies where the connected businesses scale faster than either can on its own."

MECHANICS:

Within Boston Scientific, a business unit **MUST** support the venture application. The business units are the champions of new opportunities. The Venture team presents the opportunity to the business unit to assess:

Does the technology or innovation enhance current offerings?

Can the sales team onboard it, sell it? Do they see a market need for it?

Does the technology provide expansion (geographic, new indication, other)?

All of these play a role in furthering the dialogue.

According to David, Medtronic works in a similar fashion with its Venture division (totaling 16 staff). Here too, the business units hold the cards.

The president of the division where your product or technology would fit must support the application. Every division president has business development teams around them to help decide which innovations they will champion.

SO HOW TO INFLUENCE THEM?

Medtronic Tech SMEs are a smart place to start, according to David. It's good to align with them to help cut through the corporate layers.

The heart of a yes or no comes from the sales & marketing teams. It is important to get them on board (they need to be yelling "we can sell this!")



THEY BOTH LOOK FOR:

- Pre commercial products to acquire
- Points of commercial and general & administrative fit with our business
- A credible management team and business plan
- Certainty that the cash offered will go where it needs to go
- Revenue trajectory and clear reimbursement plan are critical

In an earlier piece we explored the role solid clinical and regulatory planning play in investment conversations -the same goes for strategic investors like these.

PCRG is here to help at every stage – and like regulatory bodies, the earlier we engage with you, the more we can help. **Contact us today!**