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# GROWTH STRATEGIES

## Digital social support for those with health challenges captures all Dragons' attention

[Mary Teresa Bitti](#) | February 28, 2017 | Last Updated: Feb 28 7:18 AM ET



*CBC Lynda Brown in the Den in front of an image of a mobile screen from Curatio.*

*Each week, Financial Post contributor Mary Teresa Bitti revisits the previous week's episode of CBC's Dragons' Den. We capture what the cameras didn't and in the process provide a case study for readers, zeroing in on what pitchers and dragons were thinking and what the challenges for the deal are going forward.*

The pitch Lynda Brown hit on the idea for Curatio, a mobile health platform that matches patients and provides curated information, when she found herself navigating fertility challenges and a complicated pregnancy. She learned firsthand how difficult it can be for people living with a health challenge to connect with others in similar situations. So she decided to put her digital media background and lifelong passion to connect people to do something about it.

**"It struck me as ludicrous that it wasn't easier to connect people. We know there is huge value in crowdsourcing and, having spent my career in digital media, I understand the power of this type of community,"** said Brown. **"But you go online and it's difficult to navigate, you don't know if you can trust the information you are finding and a lot of it isn't mobile, in your hand when you need it. I thought to myself, I know how to fix this problem."**

She started digging into the research and building out what the offering would be. To her surprise, she found decades of research that shows connecting with peers and having access to validated medical information helps improve health outcomes.

**"I thought, how amazing would it be if when someone receives a medical diagnosis, along with their specialist appointment they also get a 'social health prescription' that would connect them to a whole community and support program that would provide social support, education, programs and daily tracking tools that would make life a lot easier."**

*We are on a mission to make sure no patient is alone*

Brown pitched her idea for personalized health on demand to one of her closest friends, Ryan, who runs a successful digital media company, while they were at the SXSW conference. About 10 days later, Ryan had a heart attack and became Brown's first use case, helping to shape what the tool needed to do. In 2013, she began working on an evidence-based pilot and built a prototype in 40 days that went on to win the internationally evaluated Health 2.0 Novartis Thalassaemia Challenge. That win provided seed funding and Curatio's first customer, a global pharmaceutical company, and allowed Brown and her team to build out the first version of the platform and deploy it.

**"We quickly realized if we wanted to scale globally and connect patients from many parts of the world, we needed a larger platform,"** said Brown. **"We put Version 1 on pause and built out Version 2, which is what we'll be launching this month."**

When she entered the Den, Brown had U.S. customers on board and had generated \$500,000 in pre-sales, which included the challenge funding. She also had \$3 million in the sales funnel — all without any market. She continues to field daily requests, largely from hospitals, pharmaceuticals, research organizations and large health non-profits working at the national level around prevention and health management.

The business model: patients use the platform for free, which is licensed as a SaaS in a white label version or open sponsored version to health organizations.

The deal Brown asked for \$360,000 in exchange for a 5% equity stake. That money was targeted for finishing an android version of Curatio, marketing, sales and development around localization and AI. The timing of her appearance on the Den coincided with a round of financing she had just closed. She received offers from four Dragons and accepted a joint on-air deal from Michael Wekerle and Jim Treliving, who opted to come in on the convertible and SAFE (simple agreement for future equity) round she had in place. [This type of financing serves as a short-term bridge between equity rounds.] That deal closed last summer. The platform is now ready to roll out and Curatio is also launching a Caregiver community. Brown also spoke at the Lake Nona Impact Summit, an invitation-only event for healthcare thought leaders. Brown was part of the Startup Health panel. **“We are on a mission to make sure no patient is alone. Living with a health challenge is hard enough,”** said Brown. **“We’re aspiring to that day when every patient has access to support and when these groups that we foster can start to give insights into R&D and fast track cures.”**

**A dragon’s point of view** “We were impressed with her, the platform and the opportunity for the business model,” said Jim Treliving, whose team took the lead on due diligence. “Hospitals are looking to increase positive outcomes for patients. The challenge is the long sales cycle in health care. Being first to market and **building trust with healthcare leaders is key and she’s doing that. I can see her receiving offers pretty quickly when she starts finalizing sales.**”

**An expert’s opinion** Brad Cherniak, partner at Toronto-based business advisory firm Sapient Capital Partners, says Brown and Curatio have avoided the typical failing points for medically related web-based platforms but will need positive impetus on an ongoing basis in **order to scale.** **“The fact that regulators do not have to weigh in on this offering is a plus; as is her clearly self-identifying audience who are hungry for information and receptive for convenient ways to help themselves. Now she has to break through the typical chicken-and-egg hurdle for a social network: getting to critical mass.”**