Pitching medical technology ideas to venture capitalists

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Students and physicians often find they have a tech idea that could improve care, but how to ignite interest among financial backers is another thing altogether. Find out what venture capitalists and other funders have to say about making a pitch that will get your idea to market.

Giving wings to your dreams

Many innovations in medical technology, devices and software never take flight because their creators don’t know how to present them, financiers said. They offered the dos and don’ts of making a pitch during a session at the 2016 AMA Annual Meeting in Chicago.

Omar Maniya, a Harvard Business School graduate, medical student in his final year at Georgetown University School of Medicine and medical student member of the AMA Board of Trustees, summed up the anatomy of a pitch with a favorite acronym, BALZAC:

- **Brevity.** “That is the absolute No. 1 thing,” Maniya said.
- **Audience.** Know the inside story on every person who will be hearing your pitch.
- **Language.** Take care with medical jargon, and gear your terminology to your audience.
- **Zoom level.** Know when to drill down into the details of a topic and when to keep it light.
- **Analogies.** Link your ideas to things your audience can relate to; illustrating your pitch with stories from the outside world.
- **Confidence.** Be the master of your project. “If you are not the most knowledgeable person in that room about your idea, you should not be in that room,” Maniya said.
Washington venture capitalist Arnab Sarker said the successful pitcher knows his or her product and its industry, can explain the problem the product will solve, fields a quality team (including members with clinical experience) and has a sound business plan. The last aspect is a feature that many medical students fail to include, he said.

Watch for stumbling blocks

Sarker named common weaknesses that can sour a pitch:

- A lack of understanding about how venture capitalists make their money
- More than two people presenting the pitch
- Slides with too many words
- Forgetting to consider regulatory issues
- Using language that is wrong for the setting

Fueling the world of innovation

Students and physicians can find other resources to help make their ideas a reality. One resource is IDEA Labs, a student-run biomedical entrepreneurship incubator based at Washington University in St. Louis. In partnership with the AMA, IDEA Labs has expanded to the University of Minnesota, the University of Pennsylvania and Harvard/MIT. Chapters are being started at the University of Michigan and Tulane/Louisiana State University.

IDEA Labs enables students from medical, engineering and business backgrounds to collaborate in identifying the needs of clinicians and meeting them with marketable products.

The AMA’s collaboration with IDEA Labs underscores the association’s expanding role in supporting health care innovation. The AMA is deeply involved in driving transformative health care innovation as the organization ramps up efforts to bridge the gap between creative idea development and the realities of patient care.

In addition to the collaboration with IDEA Labs, the AMA’s innovation ecosystem includes:

- An expanded partnership with MATTER, Chicago’s health care technology incubator, to allow entrepreneurs and physicians to collaborate on the development of new technologies, services and products in a simulated health care setting.
- An investment as founding partner in Health2047, a San Francisco-based health care innovation company that combines strategy, design and venture disciplines, working with
companies, physicians and entrepreneurs to improve health care.

A total of $50,000 in prizes to the three winners of the AMA Healthier Nation Innovation Challenge, which recently invited medical students, residents and physicians from across the country to submit their ideas.