

Startup MedTech Business Model Development Outline

A startup business model helps a small firm demonstrate how it intends to accomplish four things:

- Produce a novel, marketable, problem-solving medical technology solution.
- Design and implement a robust, challenging, achievable research & development strategy resulting in proving concept feasibility and producing a technology prototype, i.e., minimum viable product (MVP).
- Acquire new technology development seed funding to produce novel medical technology solution and obtain private sector business growth capital.
- Execute a Go-To-Market plan enabling the small firm to produce steady sales, generate consistent revenues, earn profits and gain market share.

A well-defined, realistic actionable, business model helps startups realize these four objectives. More importantly, the business model supports startups moving from product concept to market success.

In preparing the business model, startups are required to define business development components and integrate the components into a comprehensive strategy.



Below are the business development components needed to build and implement a productive startup business model.

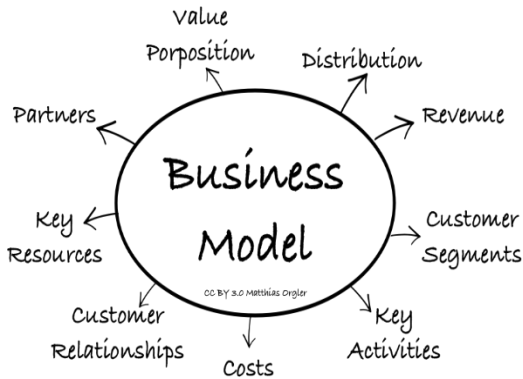
- **Identified Healthcare/Medical Problem:** Description of a situation negatively impacting individuals or organizations that needs to be resolved.
- **Impacted Groups:** Description of patients, health professionals, or healthcare organizations being negatively impacted by the situation and how they are being negatively impacted.

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- **Existing Solutions:** Description of existing solutions that are ineffective in meeting the needs of the impacted individuals or organizations.
- **Proposed Novel Solution:** Detailed description of the proposed novel solution and how it provides specific relief or solves the problem for the impacted individuals or organizations.
- **Research & Development Plan:** Details how the startup plans to demonstrate concept feasibility and produce a technology prototype, i.e., minimum viable product (MVP).
- **Intellectual Property Strategy:** Description regarding how the company intends to protect the proposed solution's intellectual property rights.
- **Customer Discovery:** Presents how the company will interview potential buyers and users to better understand their situations, needs, and pain points.
- **Market Opportunity:** Complete in-depth description of the market size, industry conditions, and leading competing solutions.
- **Potential Buyers & Users:** Complete profile of the potential buyers.
- **Value Proposition:** Description how the proposed solution satisfy the needs of the potential buyers and potential users.
- **Go-To-Market Strategy:** Details how the MedTech technology solution will be launched and promoted in a specific market. It includes competitive advantage, reimbursement issue, market & promotion activities, sales strategy, price strategy, distribution, and customer service process.
- **Regulatory:** Detailed strategy, including clinical studies/trials, indicating how the company will gain market approval from the U.S. Food and Drug Administration (FDA).
- **Product Manufacturing:** Describes all of the requirements for manufacturing the proposed medical technology.
- **Management Team & Research Team:** Profiles of the company leadership and research team.
- **Financials:** Description of the company's operating expenses and revenue model.
- **Fundraising Strategy:** Explains and illustrates how the startup expects to acquire continuous funding during each business development growth stage.

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Executing The Startup MedTech Business Model



Project Development & Business Growth Funding



Once the startup business model is developed, it can be used to acquire initial funding to produce an innovative MedTech solution. For example, the National Science Foundation Small Business Innovation Research program awards startups seed funding, i.e., Phase I **\$275K** and Phase II **\$1M**, to develop commercially-viable, novel, problem-solving solutions. The agency expects startups to use a well-designed, realistic, sound actionable business model to prepare all funding proposal documents, i.e., 3-Page Project Pitch, Phase I proposal and Phase II proposal. In fact, the completed business model contains **90%** of the information/data needed to prepare successful NSF SBIR proposal documents.

Startup Business Model Elements

- Identified Healthcare or Medical Problem
- Impacted Group/Organization
- Existing Solutions
- Proposed Novel Solution
- Research & Development Plan
- Intellectual Property Strategy
- Market Opportunity
- Potential Buyers & Users
- Go-To-Market Strategy
- Management Team & Research Team
- Financials
- Fundraising Strategy



3-Page Project Pitch
1,500 Word Proposed Project Summary

Phase I Proposal: \$256K Seed Funding
Conduct Proof-of-Concept

Phase II Proposal: \$1M Seed Funding
Build Technology Prototype (MVP)

Eighteen Ventures work with our clients, like [Sterile Geeks VR](#) a recent NSF SBIR Phase I \$255K award winner, in preparing business models enabling them to acquire new MedTech development funding, support the full development and commercialization of their proposed medical solution and obtain private sector business growth capital. Contact Mr. Darrell Williams, Darrell@Eighteenventures.com, to learn more about our Business Model Development Service.