



Stanford eCorner

Choosing the Right Medical Devices to Fund

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Video URL: <http://ecorner.stanford.edu/videos/1242/Choosing-the-Right-Medical-Devices-to-Fund>

The Foundry can only fund a certain number of ventures. Hanson talks about the different factors that go into choosing the companies, including market opportunity, and patient and physician opportunity.



Transcript

I think the one big immediate hurdle is the market opportunity. When you look at the development testing commercialization cycle, it takes five to seven years, but also \$40 million to \$60 million, \$80 million, \$100 million. And it takes a big market at the end of the rainbow to justify that kind of investment, so that has to be there. And then further, as another VC mentioned, we wanted to be an attractive opportunity for the patient, also for the payer, also for the physician, because each of them has a veto over your new idea and we want them all to be pushing to make it succeed, otherwise, the adoption won't happen.