

Preventice and eCardio Diagnostics Announce Strategic Combination in Cardiac Patient Monitoring Market

2014-09-09

Minneapolis and Houston - Preventice, developer of the PatientCare™ Platform and the BodyGuardian® Remote Monitoring Sensor and an innovator in software solutions for remote patient care, and eCardio Diagnostics LLC, a leading provider of remote cardiac monitoring products and services, announced today a strategic combination of Preventice and eCardio to drive innovation and growth in remote monitoring systems and mobile health applications. The two companies will now operate as wholly-owned subsidiaries of a newly formed holding company, Preventice, Inc.

The strategic combination strengthens eCardio's ten-year history as a leader in remote cardiac monitoring with the addition of Preventice's first-in-class, commercially available wireless remote cardiac monitoring system. It also provides Preventice with a national sales force and an award-winning monitoring center to allow for on-going market expansion of remote monitoring systems and mobile health applications.

Operating and corporate functions of the new holding company will be managed from eCardio's corporate headquarters in Houston, while clinical research and product development activities will remain at Preventice's Rochester, Minn., location. eCardio's two Independent Diagnostic Testing Facilities will continue to monitor patients from Houston and South San Francisco.

Larry Lawson, founder and chief executive officer of eCardio, will serve as chairman and chief executive officer of the new holding company, Preventice, Inc. Jon Otterstatter, co-founder, president and chief executive officer of Preventice, has been appointed as president and global strategy officer of the holding company. eCardio's chief operating officer, John Untereker, will serve as executive vice president and chief operating officer of the holding company.

“This strategic combination with Preventice will provide physicians with even greater access to products and services in the emerging market of cardiac remote patient care - one of the fastest growing segments in telehealth,” said Larry Lawson, the new chief executive officer of Preventice, Inc. “eCardio has focused on providing physician practices, academic medical centers and hospitals with the value-add tools they need to diagnose patients. In addition to mobile cardiac telemetry monitoring, streamlined reports via customized web portals, and successful EMR integrations, our customers can now look forward to a more robust and cost-effective offering.”

“We are excited about the opportunities that the combination with eCardio brings to accelerate, expand and leverage our shared values related to remote cardiac patient care,” said Jon Otterstatter, the new president and global strategy officer of Preventice, Inc. “The Merck Global Health Innovation Fund, LLC (GHIF), and Mayo Clinic have been exemplary partners. I am pleased that they will continue to partner with the new holding company.”

GHIF and Mayo Clinic were instrumental in the funding and development of Preventice’s BodyGuardian system. The Preventice-eCardio combination, of which GHIF is the primary stockholder, will continue to leverage the expertise of GHIF and the clinical insights of Mayo Clinic.

“Together, Preventice and eCardio create a strong and innovative player in the cardiac patient monitoring market, and provide differentiating opportunities to expand further in remote cardiac patient monitoring,” said Joseph Volpe, managing director of GHIF.

“These types of collaborations are how Mayo Clinic is extending its reach well beyond Rochester and we are pleased to see BodyGuardian take another step in its success story - invented by Mayo Clinic physicians, licensed and developed by Preventice, and now positioned to support patients globally,” said James Rogers, chair, Mayo Clinic Ventures.