

*“Therapy for all.”*

**TalkSpace**

*Talkspace has so far helped more than 500,000 clients connect with licensed therapists — the vast majority of whom did not have access to help prior to using Talkspace.*

# Founders

Oren and Roni Frank started this company in 2012. It connects users with licenced therapist and psychiatrists by web or mobile platform.



**Talkspace Founders Roni and Oren Frank: “If we all shared the fact that we struggle from time to time, we would help create more visibility for these issues.”**

## BUSINESS INSIDER

DOW JONES -0.3% NASDAQ +0.77% S&P 500 -0.29% AAPL -1.42% NVDA +3.47% MSFT +4.15% AMZN 0% META +2.3% TSLA +2.11%

RETAIL

The founders of \$1.4 billion startup Talkspace talk going public and why the 'second pandemic' will be a mental health crisis

By [Áine Cain](#)



# What is Research saying?

- In 2025, 18.3% of U.S. adults currently have depression or are being treated for it—approximately 47.8 million Americans. This is a historic high.
- Young adults (18-29) have the highest rates at 26.7%—more than double the 13.0% rate from 2017.
- Women report depression at nearly double the rate of men: 36.7% lifetime diagnosis vs. about 20%.
- Depression strongly correlates with income: 35.1% of low-income adults (<\$24K/year) have depression vs. ~10% of higher earners.
- Loneliness is closely linked: 33% of lonely adults have depression vs. 13% of non-lonely adults.
- Most people with depression (about 88%) report significant impairment in daily life, yet only 39-43% receive therapy.
- Good news for youth: Teen depression dropped from 18.1% (2023) to 15.4% (2024)—the first significant decline in over a decade.



# Target Customers

- Adults with anxiety,  
depression, stress
- Students
- Working professionals
- Parents seeking therapy for  
teens





## Find a new provider

Finding the right fit is essential to making progress. Let's go over your information and identify what you're looking for in your new provider.

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# Features

- Access to a licensed therapist in 2 days (or sooner)
- Therapy sessions over video, voice, or live chat (your choice)
- Unlimited messaging with your therapist, 24/7\*
- Switch therapists any time at no cost
- Between-session support with Talkcast personalized podcasts

\*May vary by insurance coverage

- Convenient access anytime, anywhere
- Professional support from licensed therapists
- Flexible options tailored to your needs and budget



Talkspace

<https://www.talkspace.com>

## Talkspace - #1 Rated Online Therapy, 1 Million+ Users

Talkspace makes online therapy convenient, accessible, and, also importantly, affordable. Cost depends on how you pay: through US health insurance, Medicare, EAP, employer, ...

### Individual therapy

Receive affordable, high-quality mental health care. We're in-network with ...

### Couples therapy

Transform your relationship with online couples therapy. More convenient & ...

### LGBTQIA+ therapy

Talk to a licensed LGBTQ therapist and get the mental health support you ...

### Therapy for military

Talkspace accepts TRICARE for online therapy, psychiatry, teen therapy, and ...

### Therapy for veterans

Talkspace supports veterans & their families. Talkspace believes that every ...

### Therapy for seniors

Access affordable and effective mental health care with Talkspace. Connect ...

## What Talkspace offers



Individual

Therapy for 18+  
[Get started >](#)



Teens

For ages 13-17  
[Get started >](#)



Couples

Therapy for us  
[Get started >](#)



Medication

Psychiatry & prescriptions  
[Get started >](#)



What happened at that stage:

- Talkspace went public via SPAC at a \$1.4B valuation
- Business model was not stable
- Company was mid-pivot (B2C → B2B)
- Revenue projections were over-optimistic
- Public markets expected predictable growth

## Point of Collapse



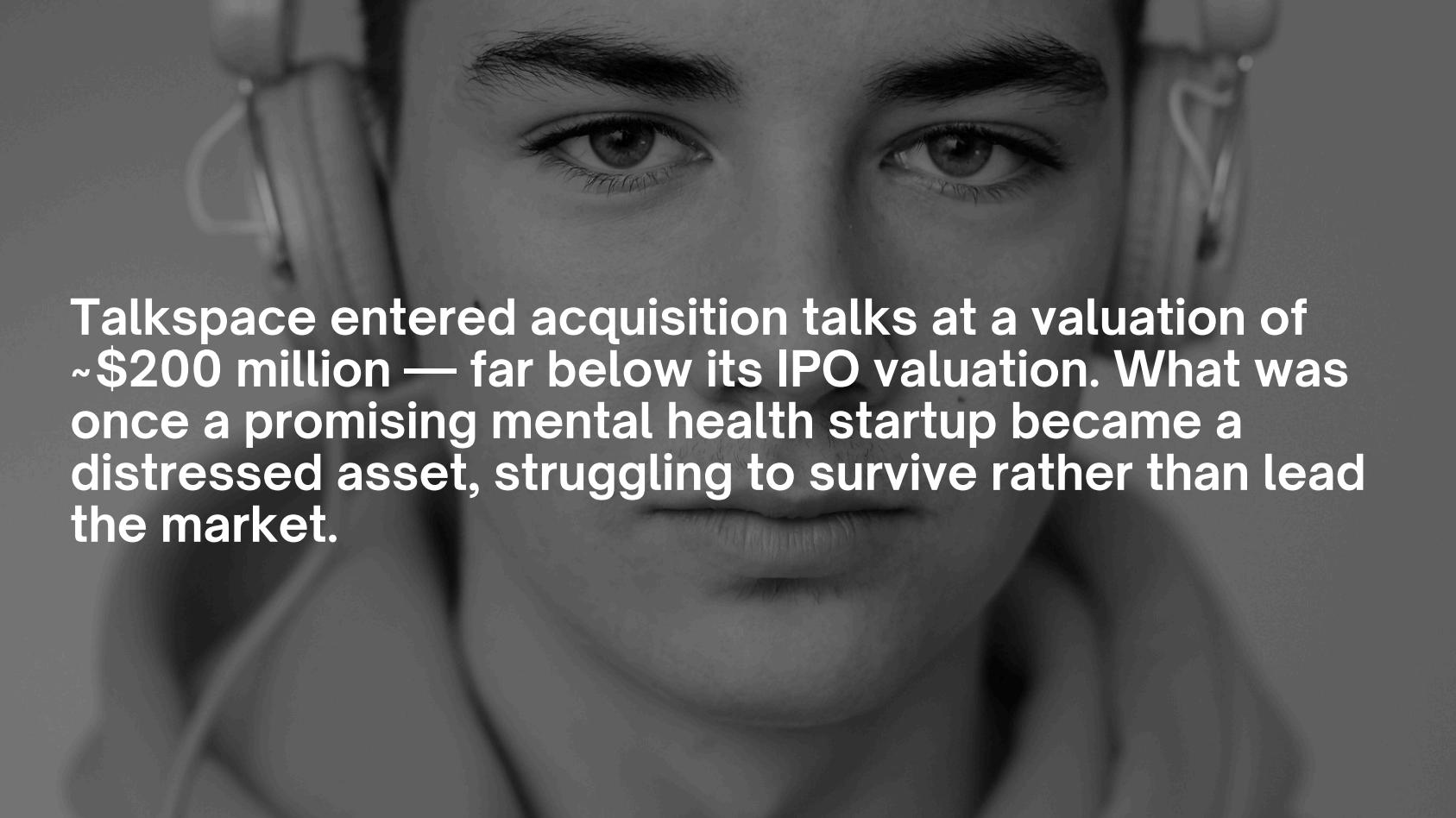
# Post-IPO Problems

**After the SPAC merger:**

- Founders were removed from leadership
- Management instability increased
- Strategy execution slowed
- Revenue growth missed projections
- Losses widened

**By 2022:**

- Revenue growth was only ~6%
- Losses exceeded \$60 million
- Stock price fell below \$1
- Nasdaq delisting warning was issued
- The company's market value dropped by nearly 90% within two years.



**Talkspace entered acquisition talks at a valuation of ~\$200 million — far below its IPO valuation. What was once a promising mental health startup became a distressed asset, struggling to survive rather than lead the market.**

## **Product & Business Lessons**

- Growth without sustainable unit economics is dangerous
- Major pivots should happen before going public
- Mental health products require ethical, long-term thinking

## **Leadership & Governance Lessons**

- Misaligned incentives between founders and investors can destroy value
- Founder removal during strategic uncertainty increases risk
- Governance matters more after an IPO

## **Market Lessons**

- SPACs amplify both strengths and weaknesses
- Public markets punish uncertainty and missed projections
- Valuation does not equal value