



PathAI

FIN 526 - A Private Equity and Venture Capital

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ABOUT

PathAI

**Started in
2016**

**Location:
Boston
(USA)**

**Total
Funding:
\$225M**

**Company
Stage:
Series C**

**Healthcare
Life Science
Tech**

Provider of AI-based solutions for clinical diagnosis of cancer and other diseases. The company is applying deep learning techniques to massive aggregated sets of pathology data to build models that can automatically detect and diagnose medical conditions.

Founding Team

Andrew H Beck
*Co-founder & CEO
(ex-Harvard Medical School,
Stanford Hospitals & Clinics)*

Aditya Khosla
*Ex-Co-founder & CTO
(ex-Stanford University, Stanford
University MS 2011, MIT)*

Philips
*Gates Foundation
Bristol Myers*



Traditional Approach

- **Diagnostic inaccuracies**
- **Delays**
- **Scalability issues**
- **Impact on patient treatment and outcomes**
- **Growing demand outpacing capabilities**

PathAI's Approach

- **Scalable AI-driven solutions**
- **Accurate diagnostics**
- **Faster turnaround times**
- **Reduction in human error**
- **Improved treatment pathways**

Revenue Recognition - software licenses, partnerships with healthcare providers, and research collaborations.

Our business model focuses on delivering value through improved diagnostic accuracy, operational efficiency, and supporting the development of personalized medicine.

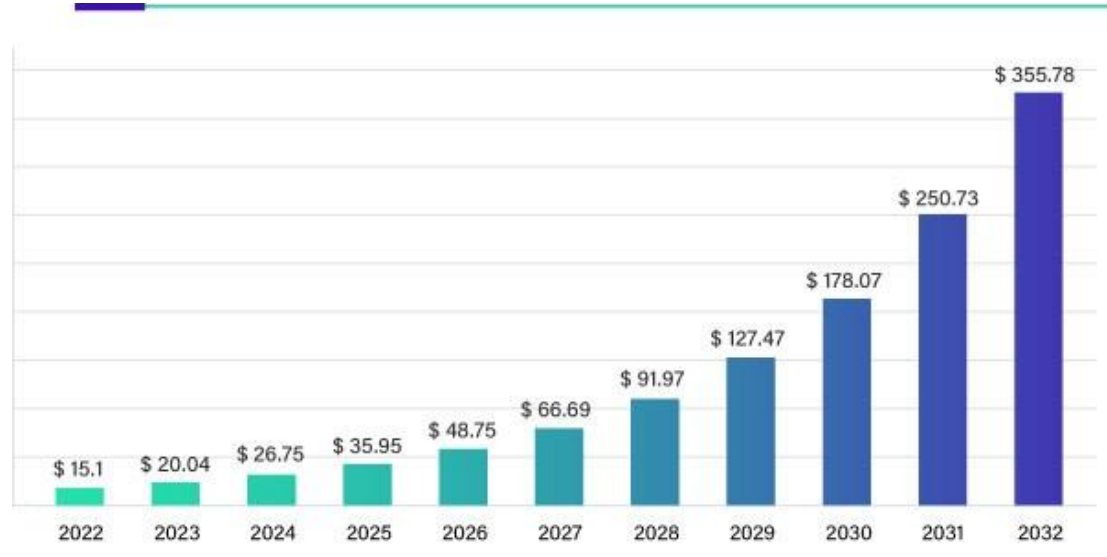


Growing Presence of AI in Healthcare

Since its introduction into the field in 1970, AI has continued grow in healthcare

Current applications include:

- Aiding clinical judgment/diagnostics
- AI-assisted robotic surgery
- Virtual nursing assistants
- Workflow/administrative tasks
- Image analysis



Competitors



Provider of AI-based software solution for biological insights at the single-cell level

Founded 2015



DECIPHER

Digital pathology software provider for clinical and veterinary pathology productivity

Founded 2016



Provider of AI-based analytic solution for cancer diagnostics

Founded 2016



Developer of AI and cloud-powered care coordination software for strokes

Founded 2016



Funding History

\$255M

Oct 2017

Series A

\$14.9M

General Catalyst Partners, 8VC, DHVC, Refactor Capital, Pillar, KdT Ventures

Apr 2019

Series B

\$60M

General Atlantic, General Catalyst Partners, 8VC, DHVC, Refactor Capital

July 2019

Series B

Undisclosed

LabCorp

Nov 2019

Series B

\$15M

Bristol-Myers Squibb, Merck Global Health Innovation Fund

May 2021

Series C

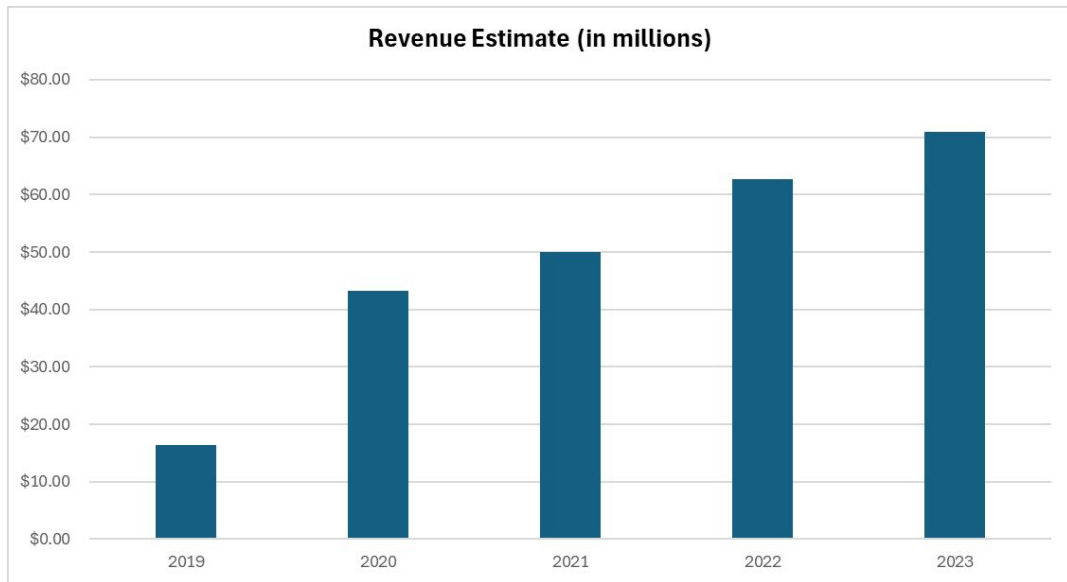
\$165M

Biospring Partners, Kaiser Foundation Health Plan, Polaris Partners, 8VC and 9 more.

- **Total Investors - 22 Institutional**
- **Acquisitions - Poplar Healthcare PLLC (founded in 1995) - Chain of Pathology Labs**
- **Other Investors - Deep Learning, Camford Capital, MIT Alumni Angels of Boston, MIT Startup Exchange, Koch Disruptive Technologies**

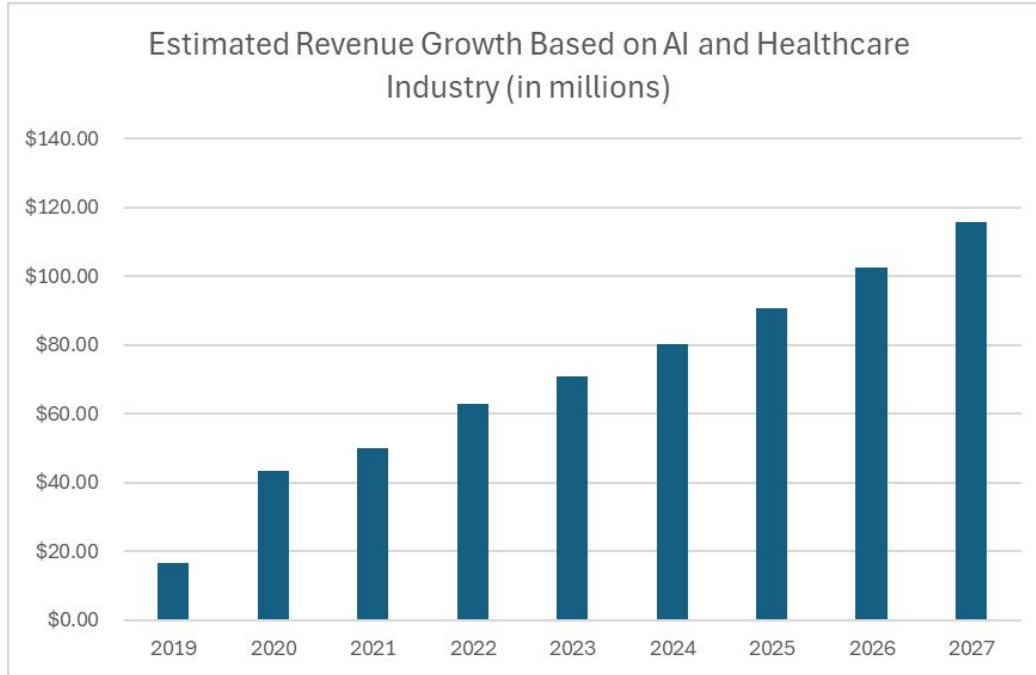


Revenue Insights 2023



- We looked at the number of open job positions at the company. Companies that are growing quickly are likely to be hiring more
- We considered the amount of funding the company has raised and the stage of its funding cycle. Companies that have raised more funding are typically larger and more mature, and so are likely to have higher revenue.
- Bloomberg industry insights: We used Bloomberg industry insights to get a sense of the average revenue for companies in the same industry as the private company.

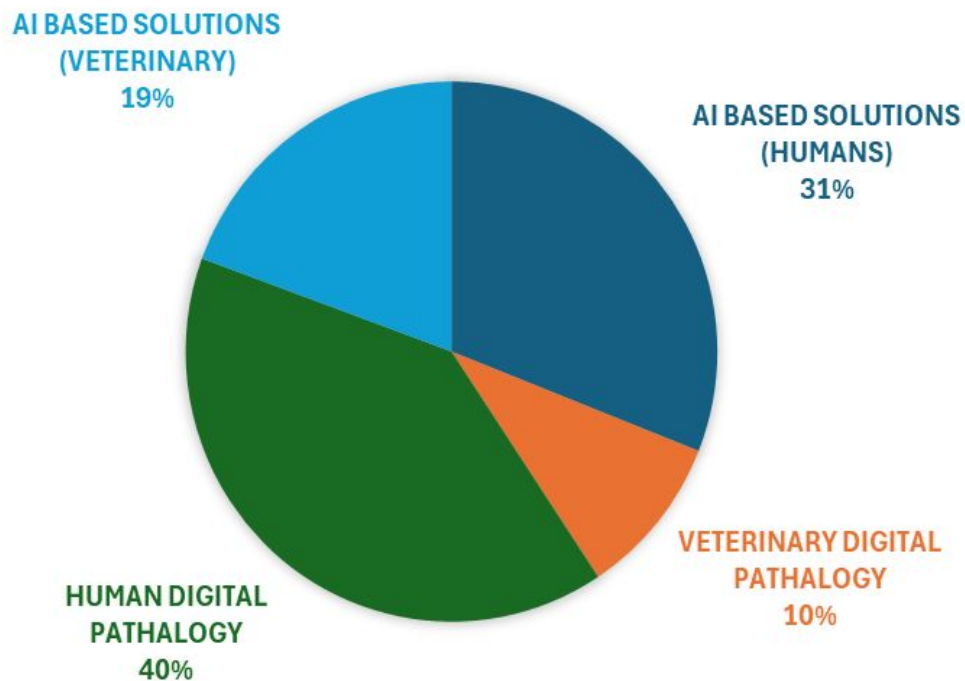
Future Revenue Prediction: Leveraging Industry Average, and Other Growth Factors



- Industry Average: We consider the historical and projected growth of the broader industry to establish a baseline for the company's potential.
- Growth Factors: Additional factors impacting future revenue are examined, including market trends, competitive landscape, company-specific initiatives, and technological advancements.



ESTIMATED MARKET SIZE DISTRIBUTION FOR PATHAI'S POTENTIAL MARKETS (2023)





Key Milestones in 2023 and 2024

Commenced the new Year with Strong Foundation for Growth Following Key 2023 Achievements in AI-Powered Pathology Products, Strategic Partnerships, and Leadership Team Hires

Introduced TumorDetect, an AI Solution to Automate Tumor Assessment and Case Prioritization for Anatomic Pathology Laboratories

Launched Artifact Detect Model on AISight, Pioneering Automated Slide Quality Analysis in Pathology Labs

Announced New NASH/MASH Advisory Network to Guide Evidence Generation and Regulatory Strategy for AI-Powered Digital Pathology Product Development



Benefits of PathAI

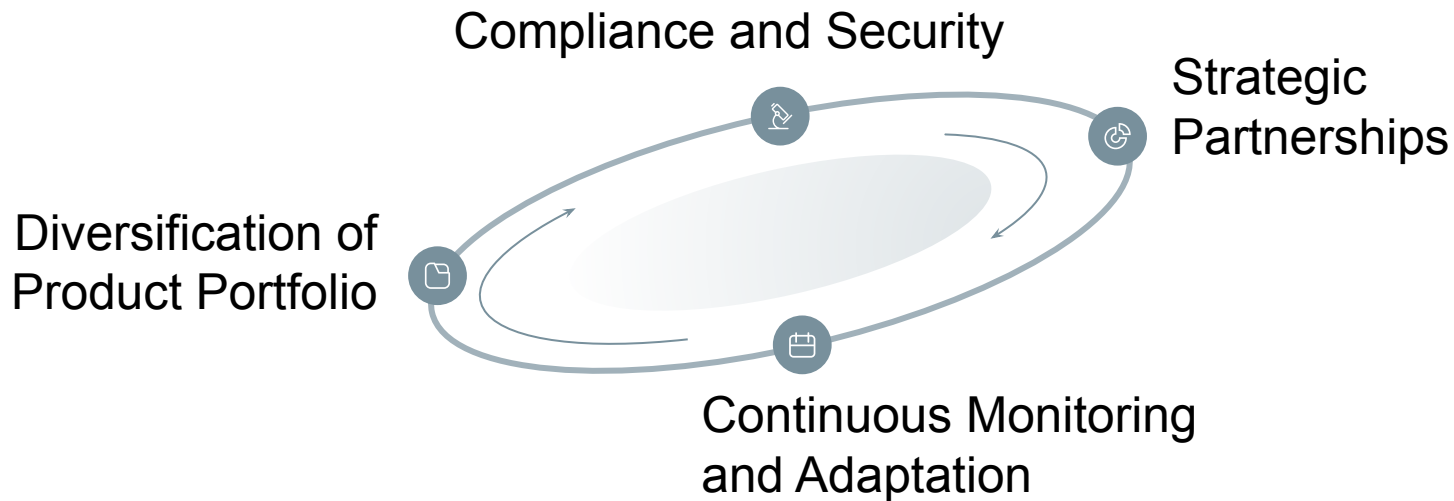
- **Accurate and reliable AI-powered pathology solutions**
- **Improves efficiency and productivity**
- **Enables faster and earlier diagnosis**
- **Provides powerful insights from data**
- **Continuously improves with more data**
- **Reduces costs**

Applications of PathAI

- **Cancer diagnosis**
- **Tumor profiling**
- **COVID-19 diagnosis**
- **Clinical trials**
- **Drug Discovery**
- **Lab automation**
- **Quality Control**
- **Data insight**



Risk Management Strategies





Company Development Advantages

Proprietary Technology

Strong Intellectual Property Portfolio

Global Expansion Potential

Further Product Development

Next-Generation Diagnostic Tools

Integration with Wearable Technologies

AI-Driven Research Platforms

Leadership Team



Andy Beck, MD, PhD

Chief Executive Officer, Co-founder



Stanford University
Doctor of Philosophy (PhD)
2009 - 2013



Brandon Eldredge

Chief Financial Officer



Babson College
Business, Finance, Economics
2000 - 2004



Mike Montalto, PhD

Chief Scientific Officer



Harvard Medical School
Post-doctoral Fellowship, Drug Discovery
1999 - 2002



Matt Grow

President and Chief Business Officer of Biopharma



Appalachian State University
Bachelor's Degree, Biology, General

Experience

Beth Israel Lahey Health 
Beth Israel Deaconess Medical Center

 **Mass General Brigham**

 **Bristol Myers Squibb**

PPD
Part of Thermo Fisher Scientific

Investment Proposal



Investment of \$20 million → 5% of Equity

PathAI's valuation was **\$375M**.

Use of Funds

Research and Development
Market Expansion
Talent Acquisition
Infrastructure



IPO



Thank You !