

Business Description

1.1 Mission Statement

Iatric Data's mission is to be the preferred provider of consumer-patient sample for health and wellness research by creating an internet-based community focused on timely accurate health information, support-group chat, and educational webinars, which in turn will allow Iatric Data to provide highly responsive, reliable and clinically representative samples.

1.2 Marketplace Needs

Iatric Data provides health and wellness entities with reliable and cost-efficient sample access to consumer-patients, while simultaneously meeting the health-information needs of the consumer-patient population. Several current trends point to an unmet need in the marketplace.

- Do-not-call lists have all but eliminated telephone marketing research. Mail surveys require comparatively greater effort than the point-click-and-send ease of Internet surveys, and thus, are a declining mode of research administration. **Internet administration is the future of the marketing research industry.**
- With the demise of telephone and mail survey administration, so goes the sampling methods of random-digit dialing, zip-code lists, and other mailing lists associated with subscriptions and group memberships. Panel-based samples with e-mail or computer IP addresses overcome these limitations by selecting 'random' samples from the panel database that are balanced to match pre-defined person criteria (e.g., gender, age, medical condition, attitudes, etc...). Historically, response rates of panel-based samples have been among the highest of any sample source due to the relationship established between the respondent ('panelist') and the panel company. **Panel-based samples will become the primary means for reaching balanced representative samples of people.**
- Consolidation within the market research industry has been aggressive with the top 25 firms acquiring 100% or majority interest in 35 other firms during 2001.¹ ESOMAR speculates that the top 25 market research conglomerates will control about two-thirds of the world's market research spending within a few years. Six of the eight largest panel companies now belong to a conglomerate. **Among the large panel companies, panel quality and service quality are likely to decline as performance pressures increase.**
- In the past decade pharmaceutical companies have been marketing their products directly to consumer-patients in hopes that they would request brand name medications for treatment of their ailments. The scope and cost of conducting marketing research with consumer-patients has increased along with the trend. **Pharmaceutical companies and other healthcare providers will continue to need access to consumer-patients for marketing research, as well as health and wellness research programs.**
- As advancements in technology increase the speed with which information may be collected and disseminated, clients' expectations have shifted. Business cycles have compressed and to stay competitive, organizations need to collect data as quickly as possible. **End-users of marketing research data demand results in days, rather than the historical 8 to 12-week timeframe of a mail or phone study.**

- As the Internet allows consumers more access to information about health issues and pharmaceuticals than ever before, people are taking more of a hands-on role in managing their own healthcare. Patients increasingly approach their doctors as partners, actively asking questions and making suggestions regarding their health status and treatment options. **A trend towards self-advocacy among consumer-patients leads to an increase in demand for consumer-focused health-related information.**
- Recent healthcare-related occurrences, such as the recall of prominent and widely used pharmaceuticals (e.g. Vioxx), takes the trend in self-advocacy to the next level. Not only do consumer-patients seek out information specific to their needs, they also desire tools to help them separate fact from myth and help them apply what they learn to their own lives. **Consumers will increasingly search for empowerment tools that help them sort through and apply information about health and drugs.**

1.3 Client Benefits

The primary client benefit of Iatric Data is the ability to offer access to consumer-patients' attitudes/opinions/behaviors along with highly profiled health information (epi-graphics) and clinical markers. The Iatric Data sample will be more focused and of a higher quality than competitors', and will be priced competitively within the marketplace. Specifically:

- **Health Oriented Focus:** Currently, buyers of health-related market research use general population panels to collect data – panels without a focus. Members of these panels participate in a variety of different surveys: they may answer questions on toilet bowl cleaners, lipstick and arthritis drugs in the course of one week. They are generalists. Our panelists, however, will be specialists. When they sign on to be a part of the Iatric Data panel that they will be participating in surveys concerning only their health and wellness. As a result, the Iatric Data panel will attract and retain a higher quality of participant, those who are interested in the subject. As a result, they will be engaged and involved in the questionnaire – not just randomly clicking through a survey to “earn” their points.
- **Detailed Profiling:** Because most panels are generalized, they capture only basic demographic information from participants and only keep track of study participation in a general sense. In contrast, the Iatric Data panel will collect, on an ongoing basis, participants' behaviors and attitudes related to health. This information could include the last time participants visited a doctor, their current prescriptions, and their hospitalization history – information similar to what is collected by a doctor's office prior to an appointment. This will allow clients to know their study participants on a level far beyond what is currently available.
- **Highest Reliability:** Some general population panels currently screen their participants on health conditions (i.e., check the box if you have _____). With this limited information they pull a sample of panelists that share a condition. However, because of the limited level of health-related questions in the current panels, clients must trust that participants honestly self-report their conditions. It is not uncommon for up to 30% of pulled sample to not truly be diagnosed and actively ‘have’ the given medical condition.

The intense health-care focus of Iatric Data's participant profiles and ongoing collection of information will allow Iatric Data to develop proprietary probabilistic models to score each panelist's likelihood and severity for key conditions, such as diabetes, asthma, hyperlipidemia, hypertension, osteoarthritis, etc...

- **Better Sampling:** Our specific focus on health will allow clients to learn a great deal about how specific conditions relate to the population as a whole. We will use the collected profiling information to understand what health segments exist in the population and to develop an “epi-graphic” basis for sampling within each condition. The epi-graphic is the general demographic profile of a population with a certain condition (including age, income, household size, geography, etc.). Based on this profile, clients will be able to study condition-specific “rep” samples – as clients studying more general topics (e.g. packaged goods) are already able to do.
- **Clinical Markers:** Using emerging technology, Iatric Data will have the ability to link panelists’ attitudes/opinions with clinical test data. Currently several research institutes and companies are developing Wireless Body Area Networks (WBAN). Iatric Data is in the process of identifying potential partners/suppliers of wireless health monitoring devices, such as blood glucose meters, peak flow meters, body composition scales, blood pressure monitors, and ‘smart’ pill boxes. While it would be financially infeasible to provide all panelists with a WBAN, it will be possible to create small sub-panels of WBAN participants and charge premium fees for access to this sample source.

Bluetooth appears to be the leading technology for WBAN applications:

The Bluetooth Special Interest Group (SIG) announced the formation of a Medical Devices Working Group that will help expand the use of Bluetooth technology into the medical, health and fitness markets.

This group, made up of 19 member companies including IBM, Intel, Motorola, Nonin Medical, Philips Electronics and Welch Allyn, will work together to create and ratify a Bluetooth Medical Device Profile that will help with user experience and interoperability between health-related devices and personal consumer electronics products such as mobile phones, PCs and personal digital assistants (PDAs) where Bluetooth technology is already common.

“Health-related devices in the home, such as weight scales, blood pressure monitors and exercise equipment, which implement the new standard will be able to send information wirelessly to Bluetooth enabled PCs or cell phones so that users can monitor their health information or share this information with a doctor or fitness coach anywhere in the world,” said Robert Hughes, chair of the new Bluetooth SIG Medical Devices Working Group and a senior wireless standards architect in Intel’s Digital Health Group. (May, 2006)¹

- **Longitudinal Access:** General population panels suffer from enormous drop-off or disappearance rates. Iatric Data’s model will improve upon these rates by building strong, deep relationships with panelists. Panelists will receive numerous benefits tailored to their healthcare interests (including home page capabilities, news updates, health management tools, etc) encouraging their lasting participation in the panel. As a result of this long-term relationship, clients will be able to collect solid longitudinal data from a consistent pool of respondents.

1.4 Panelist Benefits

Iatric Data’s most important asset is the panelists. It will be imperative to establish ongoing deep relationships with panelists in order to minimize recruitment costs maximize response rates and encourage willingness to share personal health information. These relationships will be fostered through offering panelists personalized, accurate information while guaranteeing confidentiality and privacy. Panelists will be able to log into a members-only section of the www.MyHealthOpinion.com web site. The web site is being developed in 2 phases. Phase I will

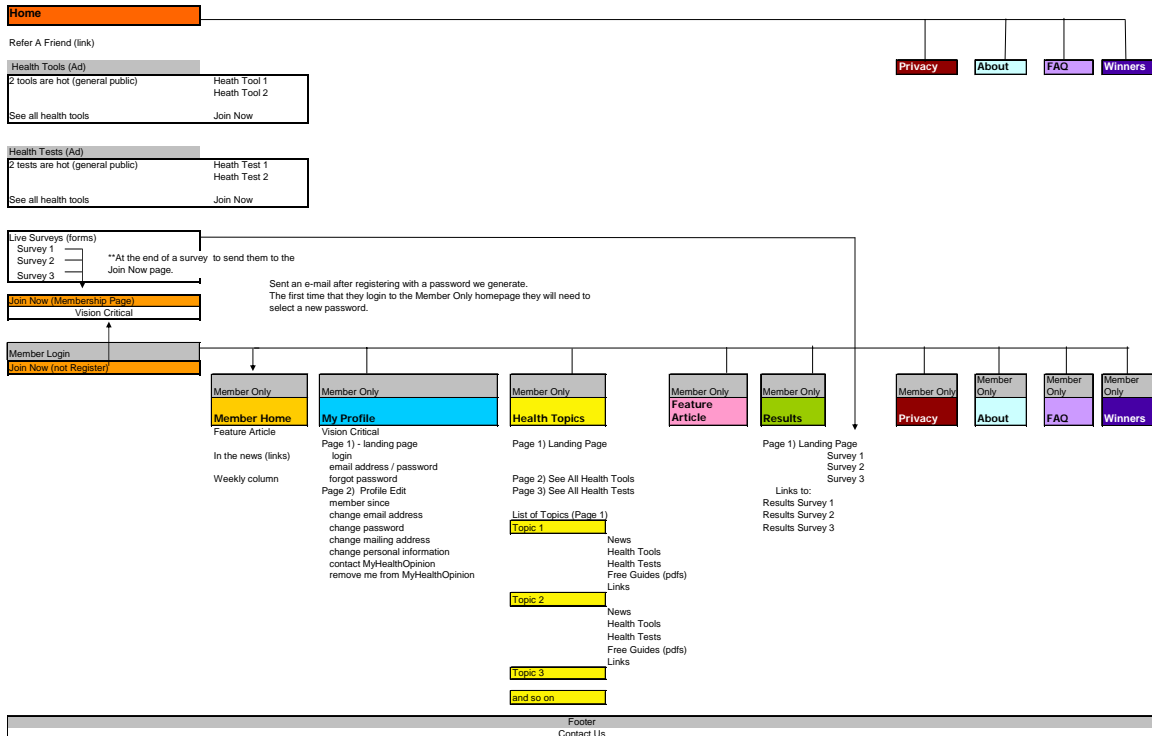
¹ Source: IHS is a leading provider of critical information, products, solutions and services to governments and corporations in six core industries in over 100 countries.

establish the identity of site and content functionality. Phase II will implement the interactive aspects of online chat, webinars, and the ability to make MyHealthOpinion.com a member's customized homepage (portal) on his/her computer.

- **Online Content:**
 - Timely Information – Empowered by the Internet, today's consumer-patients demand relevant healthcare information as soon as it is available to the public. Members of the Iatric Data panel will receive important information in a timely manner and, as a result, will look to the Iatric Data sites whenever they seek out information. This information will be shared via monthly email newsletter, email informational alerts (sent to announce important developments in healthcare, such as drugs being pulled from the market), and articles presented on the sites' home page.
 - Online Chat – One of the great strengths of the Web is its capacity for community building. Iatric Data panelists will have access to monitored chat rooms built around specific conditions and general health and wellness topics. This opportunity to communicate with fellow condition-sufferers and others who share an interest in health and wellness will encourage regular site visits and a more intense, trusting relationship with the Iatric Data sites as a whole.
 - Expert Webinars – As consumer-patients' reliance on the Internet as an information tool has increased, so has their skepticism about the source of that information. Iatric Data will both provide valuable information and boost panelists' overall confidence in the sites through monthly expert "webinars" – discussions of timely and relevant health topics led by recognized experts in the healthcare field, such as leading physicians. The format would likely involve streaming video coupled with a chat function, so participants may watch a "lecture" followed by an interactive Q&A session.
 - Interactive Tools – A key element of the Internet-driven consumer empowerment comes in the form of interactive tools, such as calculators (e.g. body-mass index), quizzes (e.g. depression symptoms) and planning checklists (e.g. first aid kits for cars or vacations). The Iatric Data sites will include a stable of these types of tools and will introduce new tools on a regular basis, tying them into surveys and other content, such as webinars and newsletters.
 - Static Information – While the regular introduction of new, fresh and interactive content will encourage panelists to visit the Iatric Data sites often, the site's core benefit to panelists will be static: a great deal of in-depth information related to specific conditions and healthcare in general. Iatric Data will be a virtual healthcare encyclopedia.
- **Custom Portal:** Panelists will have the opportunity to customize the www.MyHealthOpinion.com site, creating a home page tailored to their personal healthcare interests. The diversity of information and links offered on the home pages of the general site and condition-specific sites will make them ideal entry points for consumer-patients using the web regularly for health-related research.
- **Privacy Protection:** The value of Iatric Data depends on strong, trusting relationships with panelists. The panelists are our partners, and what is important to them must be important to us. As a result, ensuring the privacy of panelists will be a critical priority for Iatric Data. All Iatric Data privacy policies will be spelled out in a clear and prominent manner on the site. We will explain exactly why and how we collect different types of information, how we plan to use it and how to update, correct or remove any personal

data desired. In the interest of protecting our panelists' privacy, Iatric Data will not share any individually identifiable information to third parties without receiving the panelist's express permission. While we will share information about panelists with research clients, the majority of that data will be shared in the aggregate, not on an individual level. In addition, we will use cookies to track panelist trends and patterns within the Iatric Data community of sites, but we will make this practice clear to all users. Maintaining panelist privacy will be among our highest priorities.

○ **MyHealthOpinion.com site map:**



○ **MyHealthOpinion.com screen shots:**

Public (Non-Members) Home Page



Members-Only Health Information



1.5 Entry Strategy

Developing a panel carries significant upfront investment in technology, as well as an ongoing recruitment costs. Iatric Data seeks to mitigate these costs by leveraging existing technologies and creating strategic partnerships.

- **Panel Management Technology:** Central to the success of a panel company is its ability to manage the asset. A panel is essentially a large database of information about the panelists. On a regular basis the panel needs to be purged of non-responders and duplicates, balanced to census and epi-graphic quotas, and flags for frequency of contact and content of contact need to be maintained.

Developing a panel management system is a costly and lengthy endeavor; therefore, Iatric Data has chosen to partner with **VisionCritical**, the custom panel authority. Vision Critical delivers innovative tools for managing and conducting online research. One is an ASP for storing and managing surveys and research. The other is a rich media suite of applications to view research findings. The company originated in 2000 and is led by the North American research authority with over 30 years in the industry, Dr. Angus Reid. Organizations that use VisionCritical technology include Mattel, Nestle, Time Inc., Virgin Mobile, Fast Company, the NHL, Proctor & Gamble, Nokia, Scotiabank, Monster.com and Coca Cola.

- **Content Management Software:** Refreshing the content on the members-only www.MyHealthOpinion.com web site is central to maintaining panelist cooperation (i.e., high response rates). Traditionally changing the content on a web page or creating new web pages requires a skilled web programmer. Iatric Data has chosen to partner with **BrowerMedia**, developer of BrowserCMS. BrowserCMS is a web Content Management System (CMS) that facilitates creating, managing, and publishing dynamic websites. The software offers an easy to use administrative interface, and complete flexibility of page design and layout. Organizations that use BrowserCMS include Johns Hopkins University, National Coalition on Healthcare, American Red Cross, American Thoracic Society, and World Education and Development Fund.
- **Copy Write Free Content:** In order to control the cost of producing content (paying freelance writers), Iatric Data will leverage the copy write free medical information published on www.healthfinder.gov. Healthfinder, developed by the U.S. Department of Health and Human Services, offers comprehensive information on a wide variety of health and wellness topics. This information is offered copy write free. Iatric Data will use this health information to populate the static content pages that focus on health conditions (e.g., asthma, diabetes, high cholesterol, etc...).
- **Content Partnerships:** Rather than employ writers/editors, Iatric Data will partner with custom content providers. Our inaugural partner is **HealthDay** a division of ScoutNews. HealthDay's journalists and editors produce 18-20 health news stories each day that are licensed to media companies, health-related Internet sites, government websites, disease management portals, hospitals, managed care organizations, newspapers, corporate Intranets, and specialty health sites. Using a RSS feed these daily news stories will be available on the member's only pages of www.MyHealthOpinion.com. Additionally, HealthDay will provide customized content based on current events, as well as the content schedule developed by the Content Manager.

- **Recruiting Partnerships:** Recruiting costs are the largest ongoing expense of a panel. Historically on-line panels have been recruited via pop-ups, e-mail invitation and list-sharing agreements. Recruitment using pop-up ads, while inexpensive, has the highest potential for attracting the 'professional respondent;' therefore, Iatric Data will not pursue this option. E-mail invitation using targeted lists will likely be used as one method of recruitment. However, with an average join rate of only 2% this method can become costly. Iatric Data will attempt to conduct the majority of the panel recruitment via list-sharing agreements. In return for access to the partner's list, Iatric Data will be able to offer a variety of services to the partner, such as database management of the list, reduced rate surveying of the list, testing pilot programs for disease management, etc... Potential list partners include: managed care organizations, non-profit disease organizations (e.g., American Cancer Society), clinics (e.g., The Cleveland Clinic), and other health & wellness organizations (QualityMetric).

1.6 Product Offering

Iatric Data's primary product is full-service internet data collection using the MyHealthOpinion.com internet based panel. By actively managing the panel, detailed profiling, use of probabilistic scoring models, and sampling frames that combine epi-graphic and census information Iatric Data will offer the most sophisticated survey data collection available in the health & wellness market to date. Iatric Data will be known for having "**The Healthy PanelSM**".²

While we do not rule out the possibility of one day selling custom research solutions to end-user clients, at launch our target customers will be "data middle-men" (e.g., market research firms). This will allow our initial business model to be technology supported and more easily scalable to demand, rather than the labor-intensive, professional services model needed to provide multivariate data analysis, report writing and strategic business findings to end-user clients.

- **Marketing Research:** Marketing research firms who service the following industries:
 - pharmaceutical (e.g., Pfizer, Merck, Amgen),
 - fitness (e.g., Nike, Reebok, Bally, Trek, Spalding),
 - nutritional supplement (e.g., GMC, Estrovan),
 - food (e.g., Quaker Oats, Gatorade, South Beach Diet),
 - device (e.g., Accu-Chek, Omron, Tanita, Philips),
 - and many other health & wellness areas.
- **Disease Management:** Firms that develop disease management programs, such as FutureHealth, XL Health and Healthways.
- **Clinical Trial Recruiting:** Firms that recruit clinical trial participants, such as Thomson/Medstat and pharmaceutical companies.
- **Primary/Clinical Research:** Firms that conduct grant-based research on health, such as QualityMetric's work on health assessment questionnaires, National Health Institute (NIH) funded research, and research by non-profit organizations.

A secondary, and significantly smaller revenue generating product, is the line of **Patient Profile** syndicated secondary research reports. Iatric Data will further utilize the results of maintaining "**The Healthy PanelSM**" to publish syndicated reports on several health conditions with high incidence in the population. These small reports will provide the reader with a data-driven overview of health condition sufferers. The reports will provide census-type data (e.g., age

² Trademark applied for April, 2006.

breaks, gender, socio-economic status) as well as epi-graphic data (e.g., incidence of co-morbid conditions, typical treatment patterns, satisfaction with therapy, doctor visits, severity of condition, etc...). These reports will be particularly useful because they will document the key demographic differences between government epidemiology data, which represents the national population, and internet-research epidemiology data, which represents those individuals with access to the internet.

1.7 Growth Opportunities

The initial growth of Iatric Data will come from the primary focus of recruiting the panel and establishing our position as an internet-based survey solution for the health and wellness industry. Historically panel companies have sought to attain larger and larger panels.
.....in progress.....