Okay, good morning or good evening, everyone, depending on where you are.
The meetings we've had lately are in all various locations around the world, so
I've got to be careful not to be too geographically
specific. We've got a really good one for you today.
We're joined by Dustin Haynes. He's the CEO of EchoIQ.
EIQ is the ticker.
For those of you that have been with us for a while, you're probably familiar
somewhat with the business. We've spoken to
someone from the team there once in 2023 and once in 2024.
And as I was just mentioning to Dustin, geez,
I probably should have paid more attention.
The shares are up about five-fold since those times.
And look, that's always nice. Of course it is.
But I think for our purposes, what's far more interesting is what's actually
driving that change in valuation.
If you're following the story,
you'd probably be able to answer that relatively easily, and that is that the
company is making genuine progress.
And it's coming from this, which we see a lot in this sort of space.
You spend what feels like forever in the lab,
building the product,
getting the efficacy there, and then you go into commercialization.
And I'll let Dustin flesh that out a lot more, but it really
feels as though EchoIQ is at this really, really interesting
juncture. I do need to back up a little bit here.
If you are new to the business, and we do have a lot of new members since we
first spoke to the company,
this is a heart
company. It's all about health technology. It uses AI.

I should say, too, using AI well before the latest

hype around this kind of space as well.

So it's been working in this space for a long time, and it's really all about

trying to detect structural heart issues.

So think of things like heart failure, aortic stenosis,

these things that are just huge, horrible blights

on us as

a species and the leading cause of hospitalization globally.

So this is a big market.

And really what the company is trying to do with the core platform,

EchoSolve, it basically ingests a bunch of data from an

echocardiogram. It's kind of like an ultrasound for the heart.

The software then analyzes all of these different measurements and risk

patterns to...

Very easy to miss during a standard clinical review.

Not because cardiologists aren't very capable people, but just the

sheer volume of information that is there.

So it really takes all this complex data and provides a bridge

to that to be able to just sort of take that data and then actually...

At the end of the day, this is about saving lives, right?

And helping people or pushing medical

practitioners towards the best treatment, life-saving treatment.

So yeah, it's really interesting. So I'm blathering at this point.

I just got to quickly say before I welcome Dustin to the screen, as you well know,

none of this constitutes financial advice.

Lawyers always make sure we say that, but you know it.

And if you do have any questions, please use that Slido link, and

I'll make sure I put them to Dustin when the opportunity presents itself.

So with all of that out of the way, Dustin, thanks for your time today.

Yeah. Thank you, Andrew.

So how did I go with my 40,000-foot view there?

I'm sure I glossed over a lot of stuff, but did I get it basically

right?

Well, not only did you get it basically right, I think I should offer you a job, to

be honest. I can put you out there as a salesperson on the

team, and you'd probably do a great job at that. So no, thank you very well.

It was a really well-done synopsis.

Well, let me ask you this, because it's always nice to get a fresh perspective and

a fresh pair of eyes. You've been in the job, I believe, since January of last

year. So the first question is,

what attracted you to this business?

I'm sure you had other opportunities that were out there.

What did you see in EchoIQ that wanted you to be a part of

it?

Yeah, no, great question.

And actually, the story probably goes back almost a year from that.

So I started in January of 2025,

but about a year before. So where I was previously, I was with a

fairly large company called Gilead Sciences, so focusing on

infectious disease, oncology, and a number of other things, and I was based out of

Hong Kong. And I was covering a huge swath of the Earth there.

I had all of Asia, parts of South America, Middle East, Turkey, even

Russia, even with everything going on and the craziness.

Mm-hmm.

So I had a pretty big geography, and one of the things I was noticing as I was

working with ministries of health around the world was that they were

struggling with trying to understand how to control healthcare costs

and looking for solutions that could ultimately save costs, but ultimately have
better outcomes.
Yeah.
And so you're kind of seeing them grappling with this and think of this kind of
coming in and out of COVID, right? So there was this really kind of big need.
And so as I was working within the industry and hearing the ministries of health
talk about this, I bumped into EchoIQ at a late-breaking presentation at
the European
Cardiology Conference in
Europe. And they had presented on their first initial
data on the aortic stenosis, and it was looking really interesting, right?
So you're combining technology with one of the biggest problems we have right
now, which is cardiac disease. And so on a whim, I reached out and actually
one of the employees had worked
for me in a past company. Sometimes the world kind of works that way.
Yeah.
And so I had a chance to talk with the board, and I thought maybe being a
strategic advisor or some way I could get involved with the company because I was
really interested in the mission, but more importantly, we could solve a
problem that we saw from a number of the healthcare systems around the world, which
is how do you create this opportunity to reduce costs and get
better outcomes? And it was there. It was in this model.
Luckily enough for me, they liked me and had a conversation and as we
got closer to the FDA clearance, that happened at the end of 2024, the board
approached me and said, "Listen, would you ever be interested in taking on a CEO
role?"
And I answered within seconds. I said, "100%. How do I get involved?
What do I do?"

I'm not moving to Sydney, by the way, but I think- ...

this is the right company to bring to the US because it is the market that will

actually have the best opportunity.

So,

I think the board made two smart decisions.

One was to

have the CEO in the US.Second one is we'll find out whether it's true or not.

They picked me, so we'll find-

Yeah

... out if the board was smart twice.

What a great story, though. So you approached them. That is fantastic.

And so,

as I said in the intro there as well, and this is always the way, that it's that

classic example of this overnight success that was

10 years in the making, as the old saying goes.

Exactly.

The market sort of, "Oh, what's this thing?

Oh, yeah, they're doing that." And what is invisible, I think, to a

lot of outsiders is just the hard graft that has

gotten you to this point. I'm hoping you can sort of fill that out for us a

bit, sort of that journey that the company has gone on and just

the...

We see the failure rates in this space.

There is so many promising ideas and technologies,

and then just as it gets closer and closer, there's things that sort of fall over

and, not from malfeasance, just because this is really hard stuff.

But it feels like you guys have passed some huge

hurdles in the last 12 to 18 months, has been a big period for you.

So I'm hoping you can sort of fill that out for us and sort of what progress has

sort of been made and where you sort of sit at this point in time.

Yeah, no. And I think you summarized the landscape really well.

This is just a hard business. Whether you're creating a pharmaceutical medication

or you're creating some type of AI software for a medical device,

it's a hard business because there are regulators that want to make

sure it's right, that it's going to help people, that it has no side effects, and

ultimately that it can be beneficial to the overall society at large.

Yeah.

So it's not that it's a good idea. It's a good idea that has to actually pass some

of the rigorous hurdles, but then also, the thing that most companies

get stuck in is, but then who pays for it and how-

Yes

... can you actually get it into the system? Those things matter.

And so I even joked when I took the role to the board, I said, "Listen, getting an

FDA clearance is

kind of a ticket to play, but it's not a guarantee."

Yeah.

That's just the first step, right?

You've got through the big part, which is getting a regulatory clearance, but now

you've got to think about who's your customer, who pays for it, how do you get it

integrated, how do you actually get it in the hands of the people that make a

difference?

Yeah.

All that takes a whole host of different skill sets.

Yes.

So I think we've obviously been able to...

And I can sit here and say, look, in the last 15 months I've been here, look at the

success of the company. But really it's the four, five, six, seven years before I

even got here that got us to where we are.

It's the hard work of thinking about how do you create an algorithm, one that can actually be replicated around the world, and then the other is that actually has a meaningful output. That's hard to do, too.

Yeah.

And so we've actually put some of the best, in my mind, some of the best people in the world working on this within the team.

I've got some of the best engineers and data scientists and programmers I think that I've ever come across.

Mm-hmm.

But more importantly, I've got access to some of the best data in the world. And this is all thanks to the Australian government.

They were one of the first countries in the world 20 years ago to think about putting everything together in electronic medical records. It's surprising.

You'd think that seems like somebody would do that everywhere, but they haven't, and the US is way behind on that. And as the Australian government did that, it created lots of opportunities to have access to data.

Yeah.

And so one of the accesses to data we have is the National Echo Database of Australia.

And it's a non-profit organization outside of the government that has collected all of these echocardiograms for over 20 years now.

It's about 2.2 million echocardiograms in there.

And so when you think about AI today and you think about companies that are trying to do this, it really isn't the technology, it's the data that the technology's built on. And the way the company is really kind of structured in terms of competitive moat is I have access to that data for the next 14 years. And that data allows me to train my model, to be able to train my model not only to have an output, but also to be able to apply

meaningful outputs to it, which is things like mortality and long-term
patient impact, because you got 20 years. Think about that, 20 years.
So when you're training models, you're not thinking about what you see today, but
it's also, can I take the model back in time and then-
Mm
... see if the model is right in the future?
And you can actually start to teach the model what they missed and what the model
needs to work on. That's where the complexity gets there.
And so that's where I think we've really started to change the calculus here, for
sure.
Mm.
It's getting an FDA clearance, figuring out how you can actually get it into the
market, but then also, what is it that you actually have in your hands?
And it's the data when you're talking AI. It's the data.
Yeah.
And if you talk to Microsoft and Google, and I talk to all these guys,
it's the data. Data's more valuable than anything right now, and we all know that,
and having access to data gets you to actually be able to train models
that work, and we just happen to have one of the best in the market right now for
diagnosing structural heart disease, which I'm super proud of.
Yeah. It's such a great point. I was actually going to ask you
about it. You've preempted me, but it's something that Philip
emphasized in our previous conversations, is that, particularly in the
earlier days of AI, it was sort of felt as though
all these sort of companies, you had to sort of build your own model.
It's like, no, it doesn't work like that at all, really.
Anyone can spin up the latest and greatest thing from Anthropic or
OpenAI. It's the data, as you sort of say.

And the other thing that I find so fascinating about it is that it tends to
be a...
There's great potential for a positive feedback loop there as well.
So once it's out in the wild and collecting real data, that adds
some more training data, which makes it a little bit better, which makes it more
the preferred choice, and it sort of has this self-fulfilling prophecy sort of
component to it. But just to dig into that a little bit more,
I guess the question people would have is just like, "Well, why can't I
rock up to this department and say, 'Can I have access to
the data?'" Or is it a matter of
anyone can, but you've been doing it for so long, you've got the head start on
it?
Yeah, no. Well, no. In fact, actually, the way we
acquired the technology, part of that acquisition is
exclusive access to that dataset.
Exclusive, right.
Yeah.
Okay.
And of course, that's a great word, right?
Everybody loves that if you're a CEO, like, wow.
Yeah.
And so what that means, so the National Echo Database of Australia is a phenomenal
group, and it's run by two brilliant professors.
And they do tons of research everywhere around the world-
Mm
... and that's what they're designed for.
But in this case, anybody who wants to train an AI model for commercial purposes,
they'd have to go through me. That's part of the way we carved that out.
And so really what that was, as part of the acquisition, was giving us

access to that data.And so that was a big part of that, right?

Yeah.

You see lots of research from Neta coming out of there. They do some great stuff.

We work on a lot of papers and clinicals with them.

But when it comes to the AI model and training data sets in there, we've got that

exclusive access for that for commercializing.

So it really is, and I say this not very lightly at all,

I think if anybody's looking at us as a company, you have to look at AI companies

in a number of different ways. IP protection's one.

What is your moat around that IP protection? This is our moat. This is it.

Because when people want to build models,

they're looking for data, they're going to buy data, they're looking to get access

to data. It's just, this is the biggest and the largest and the most comprehensive

data set in the world right now. And

thankfully for us, we have the exclusive access for the next several years to train

our model on that data set. So it's phenomenal.

That's huge. The other thing you said that was super interesting, and this

comes up a lot. We speak to a few med tech companies

and, as you say, naively you would imagine that

it's just like, "We've just got a really cool product here.

It solves a lot of problems. It works really well." But, I think what we've learned

over the years is that kind of gives you the ticket to the dance, so to speak.

Mm-hmm.

But you're often dealing with hospital administrators and the more the

bean counters of the world- ... who are sort of saying, "Yeah, that's cool,

but it's got to be economic here." And that's not to be too hard-nosed about it.

There just is limited budgets. There's competing

priorities. And so when you can rock up and sort of say, "Listen, we will give

you better outcomes, and we will save you money,"
that's a very compelling value proposition.
And the other component that, correct me if I'm wrong on this, Dustin, but
is that
a lot of these medical institutions have made very, very
significant technology investments over the years, and they do
not
want to rip that all out, even if you've got the latest and greatest, right?
And to then have to rebuild everything.
So the other component to it is, yes, it has to be good, but it has to be
economic, and it has to integrate in with our existing workflow.
So maybe you can talk a bit about how Echo IQ sort of
scores on that.
Sure. Yeah.
And I always joke to the team, I was like, "You think FDA clearance and doing
regulatory filings is hard." "Go sit down and talk
to the CFO and the executive team at
a hospital." That's even harder, right?
Yeah.
Because all those things you just said are true.
Yeah.
And all those things matter. And as a company, if you can walk in the door and
say, "Listen, I already know where your pain points are.
I already know what you need, and I can tell you here's how my solution meets
that," you've already done a lot of the heavy lifting right off the bat.
Mm.
So the number one thing that will matter, especially in our space, is when you're
going into a hospital system, is there's
a word called workflow that matters to them.

That's actually the way they think about creating revenue,
creating efficiencies, and managing a business. It's workflow.
And that workflow is simple as, do you look at this screen and then turn to that screen? If you do, how do we remove one step from that, right?
Right.
That's how workflow gets in a hospital.
So you really have to think about, and we've really, really put a lot of work in this, you have to think about how do you integrate into that workflow so you actually make it better than it currently is-
Mm
... and you're not distracting from that or creating any type of substitutions within that workflow.
Because you immediately will get kicked out the door.
The hospital's like, "Look, we can't have time for this," right?
Yeah.
"I can't have 20 of my staff being trained to do something different than they were already doing before. I can't have that."
Yeah.
"It's too hard."
Yeah.
So, one of the things we really thought through is not necessarily the technology itself and the output, but then also, what's the user interface that allows this to sit directly in the workflow?
Mm.
And we use a word called swivel fatigue, which means it's got to be so good that they don't even have to turn their chair to look at something else.
It actually is sitting on this computer that they're working on now, and it actually just sits right there where they're doing their work.

Yeah.

Nothing changes.

Yeah.

That's how integrated it has to be.

So we've actually created what we

coin in this kind of industry, a light lift.

We are very light lift in terms of how we integrate into a hospital.

One of the things that makes this important,

and we all think about it with our phones and everything else, is being

cloud-based. Everything is up in a cloud.

Why that matters so much is when you're cloud-based, you can literally have a

static IP connection to a hospital, right?

I don't have to put a big computer server someplace.

I don't have to have a room someplace where you're having all this kind of compute

power. It's in the cloud, which means if I can connect directly into your system

through a simple static IP, we put all the protections around it.

There's things like SOC 2 and HIPAA, which means no patient information gets out.

We protect all that data. But now we're simply communicating

through an internet connection.

Mm.

So when you sit down to do your work, and when you hit a button, it

should pop up right there for you.

Yeah.

You don't have to go to a different place.

You don't log in, you don't log out, you don't look at things.

So all of that required a lot of technical work on our side.

But it was so important because now when I walk into a customer, I say, "Listen, I

can not only be able to save you money, I can not only get better patient outcomes,

I can actually create a workflow scenario where you're actually getting better

efficiency within your workflow.

And let me show you how we do that." And all of a sudden, you've got people leaning

in instead of leaning back.

Yeah.

And that's a big part of this.

Yeah.

So, my big cautionary tale to all kind of tech CEOs out

there who think they've solved the healthcare landscape, you better know who your

customer is, you better know who's going to pay you, and then you better know how

you sit in the workflow of the hospital.

If you haven't solved-

Yeah

... those three before you launch,

it's going to be a tough road. Not that you can't fix it, but it'll be a tough road

if you haven't figured that out before you get to the market.

Yeah.

It's so true. One of the things that blows my mind, and it's come up a few times

with some of the med tech CEOs we've spoken to, is just that

how slow-moving the medical space is.

As I understand it, I don't know what it's like in the States, but I know here in

Australia, hospitals still use pagers and fax machines,

right?

Yeah.

It's

wild that you would think that they're still a thing.

And it's part of this institutional inertia.

It's part of the legacy infrastructure.

It seems stupid, but there's obviously very real reasons

as to why that's there. And it's a twofold kind of
thing. On one hand, it's a negative because it's hard to break
in. On the other hand, it can be a wonderful positive on the other side of
that bridge because you benefit
from that inertia.
The other thing that I think is really interesting
is-The way funding works in this sort of
space, it strikes me as an outsider that reimbursements are a pretty big
deal. Is that true, do you think, for you guys and how are
you approaching that?
100%. 100% true.
And reimbursement's a funny thing.
Reimbursement is probably more of a US-centric kind of view of looking at
this, and obviously I can talk a little bit about kind of globally what we're
looking at other markets as well, but a very US-centric focus here is
reimbursement, right? So the US government's kind of
health plan and health system,
I would say is probably broken at probably being a very polite way of saying it.
It's inefficient at best. And it really is a very challenging system,
and so parts of that is the government pays for some of it.
Part of it is a private payer pays for some of that.
Part of it is a hospital will get reimbursed for some things.
And so you have to understand that system, but reimbursement matters in our space
because you are looking to be able to bring a solution in.
Hospitals, even though are
profitable, their margins are thin, so they're also looking at, "I can't keep
adding line items or cost items. I also have to have a way to be able
to generate revenue, too, by having new technologies." And so
reimbursement allows that to happen.

And so we're very actively in that space.
The great thing is the
Centers for Medicare & Medicaid Services in the US, which manages most of the
reimbursement side for the government,
has been very forward-leaning on AI, so they're really trying to think, "How do we
do this well?"
And good on them. They're government, so they're slow.
But we're having conversations with them.
How do we do this better so that healthcare
can be lower cost and more efficient
and better outcomes? And so they're seeing that with AI.
Now, there are some AI that does not create those opportunities, and so that has to
be weeded out. But in our case, we're very confident that we do,
and we've actually created a number of pharmacoeconomic and health
economic studies to be able to demonstrate that.
All those things come into reimbursement.
But it's a huge part of our business because if we want to sell it to a hospital,
the hospital needs to know that there's a way that they can get some of that money
back by getting reimbursed for the usage of the technology from the government.
Yeah. Definitely. Actually, maybe that's a good segue into the commercial
model. As I understand, it's sort of a subscription-type model.
Can you sort of flesh that out for us a bit?
Sure. And this is where it gets complex, but
Nick Luber, who's my head of the US and ultimately kind of head of the
commercial strategy, and I, combined, we've got about 50 years of
experience in this space, so we know it really well.
Yeah.
And so we interrogated every different option for commercial pathway.

You could do what's called a SaaS-based model.

You could do a pay-per-click model.

All these things have different approaches to it.

Yeah.

But ultimately, where we really understood the hospital's needs were was,

listen, I need to be able to have something that when I bring it in, I want to

have a consistent cost across the space.

So these ideas like, "Well, I'm only going to pay for it when you click on

it."

Right.

Well, a CFO goes, "Well, how many times do they click on it?" And I say-

Yeah

... "Well, I don't know. It depends on your doctor." And the CFO goes, "No."

Yes.

"Because now I don't know what I'm spending," right?

Yeah.

It could be 100 this month, it could be 500 the next month. I don't know.

Subscription model, he says, "Look it, I can actually show you what you're going to

have this year and next year for total cost."

Yep.

And, oh by the way, when I do a subscription model, you can use the technology as

unlimited as you want because that's a subscription.

That's what I want you to do with it.

Yeah.

And then oh, by the way, you can also get reimbursed for using that technology.

So all of a sudden when you start getting down that path, we start breaking the

barriers down. It becomes a lot more

easy... That's not the correct way to say it, but it's

easier for the hospital administration to go, "Okay.

I get what I'm getting here."

Yes.

I got a sunk cost that I can see, but I also get reimbursed back for that.

Yeah.

I can use it as much as I want, so my doctors can actually get the benefit of

creating that efficiency and that better outcomes.

And oh, by the way, you're working with me as a company to really try to keep those

costs in line to where I can actually have line of sight.

Those are easy conversations, relatively-

Yeah

... compared to some of the others that we've had. So we really interrogated this.

We understood how that was going to work. Subscription model makes sense.

And I always joke to physicians, because I tell them that, I say, "Listen, with my

technology,

if you think about sitting down and reading an echocardiogram, it's like taking a

test. That's what a doctor's doing."

Mm-hmm.

And then they're going to make a decision at the end of that test.

Well, I always joke to them, I say, "Listen, you can have the answers to the test

before you take it, because I'm going to be right there in the corner, or you can

actually take the test and have the answers afterwards.

Either way, I'm going to give you the answer to the test.

It's sitting right there for you." And they go, "Oh, you're crazy." I said, "No,"

but the problem is, with AI, if you tell a

person, a human or a physician, say, "You pick when you should use AI,"

we're going to pick wrong half the time, because-

Yeah

... we're going to go, "Well, why would I need it this time?" Right?

And that's probably the patient that's going to be missed or under-diagnosed.
But the AI's going to be sitting there in the background when it's a subscription model. And it's running. And if they want to click on it and see the answer, it's right there for them. It's almost like a second read, and we are really good at giving them a very good, accurate diagnosis, which gives them that confidence when they make that final decision for the patient.
Oh, it's huge. I think we touched on this in the previous conversations. The analogy here is with chess, which is sort of the standard sort of measure in which a lot of AI was early on measured with, and very long ago, AI just crushed the best chess players. But to this day, and I've got to update my thinking on this perhaps, but I believe that it's actually the best combination is the human using an AI will beat an AI by itself. And I suspect that that's the case with the doctors, right? It's not trying to throw any shade at you guys.
You're experts at what you do. This is just going to make you better.
And so no one's sort of saying, "Just trust in the AI.
It will get it right every..." It's like, no, we're actually saying, "This is a tool for you guys to use to enhance your productivity, but also your accuracy," I guess.
Yes. Oh, you said it beautifully. So we were actually at a think tank about three or four months ago, and there were a bunch of cardiologists from around the United States, and there were some industry folks in the room, and it was really around AI. And I was privileged enough to get invited into the room and have a seat at the table. And somebody asked in the room, "Do we think AI eventually is going to take our jobs?"And the kind of lead moderator at the front, brilliant guy he said, "I think that's impossible."

He goes, "But I will tell you, the physician who doesn't adopt AI
will take the job from the physician who does."
Yes, 100%. Yeah.
Or the vice versa, the physician who does.
And you could see the room kind of like look around like, "Man, this is a
moment here, right? Where we either have to lean in and embrace..." Because
a good AI model should never replace a physician, it just makes them better.
Yeah.
But if they're not going to lean into that, I can tell you, the physician who uses
my technology as a cardiologist is going to be better at their
job.
Yeah.
Because they're going to have,
like I said, an answer to the test, well, it's sitting there for them.
And they might miss that one patient, but we're going to find it for them.
And that physician who doesn't have it is probably going to miss that patient, and
they won't find that patient. And unfortunately, these patients, these are our
aunts, these are our moms, these are our grandmas, these are our aunts, uncles,
these are our family members-
Yeah
... that will get missed.
Yeah.
And AI just simply gives another safety net to make sure that that physician gets
the best answer possible. So I think you're right.
It doesn't matter if you're in
the oncology space or in your cardiology space.
The physicians who lean in on AI
for the future are going to be the ones that are around, and those that kind of

push against it will be struggling because-

Yeah

... it's just a lack of an advantage.

I think that's so true. And in so many industries and

spaces. I think for a lot of people listening, you find it yourself,

it's kind of this cool thing you play around, it's kind of interesting.

And then I've certainly got to the point now, it's like I just cannot live

without it. It's that- ... essential to

me. And I suspect with the doctors, the

cardiologists, that it actually will, at a point reach...

It's serious career risk for you not to do it.

There will be some of the, perhaps the older guard who's a little bit more

intransigent. "No, I don't need this new stuff." But

I think that's going to be... Almost there's a legal

dimension to it as well, you could potentially imagine, like, why didn't you use

this tool that was here that may have, well, saved lives?

So it's

fascinating to hear all of that.

Dustin, the other thing that's

a really common feature for companies

moving into commercialization, and we see it again and again, and people are

probably sick of me saying it, but I'm keen to get your reaction here, is that

you overcome the

tech challenges, you perhaps overcome some of the economic challenges and

the commercial models and the rest of it, but we're all

human.

No matter how sophisticated the institution, there's a very big

social proof component to it. No one wants to be

first, right? No matter how promising it is.

And
it's just a trend that I see over and over again where these companies,
just the great companies, but they can't get arrested, right?
It's just like they're knocking on doors and then what happens?
All of a sudden, they win that first reference site,
and now the sales guys rock up and they go, "Oh, listen, Mayo Clinic," or whatever,
they're using it. And that just makes the decision so
much easier for subsequent sales. You get this momentum there.
In a lot of ways it shouldn't be like that because people should be able to form
their own judgment on the
analytics, the data that's sort of there.
But
there is that component to it. So I guess the question is,
is that your observation, having worked in this space for so long?
And if so, how does that inform the
commercialization sort of rollout?
Sure, yeah. Well, there is a
real-life term for that. AI adoption curve does matter, and it's just like
anything else. You got early adopters and you kind of got your middle group and
then your laggards. And we actually see that in a clinic.
And there's usually always going to be the person who pulls that in is that kind of
early adopter, that kind of forward-leaning, who's the physician saying, "Listen, I
know I need this and I want to bring this in.
And it's going to make us all better."
Yeah.
And you may have a bunch of folks in the clinic who are like, "Eh, I don't know.
I just do what I do."
Yeah.

And then they eventually kind of see what it does.

And so we look at it a couple different ways.

Obviously, flagship sites matter.

We've been

just so blessed that we've got Beth Israel, which is part of the Harvard Medical School, as one of our flagship sites.

They were early adopters-

Yes

... coming in.

Yeah.

And so they've been running at full scale.

And so it's great that I can ask a

prospective customer, "Hey, do you want to talk to Jordy Strom up there, Dr. Strom? He's a world-renowned echocardiologist, and he'll be happy to talk to you about his experience for the last 12 months."

It's huge.

And he's got amazing stories about what the

AI has done to find those patients that the physician actually called

not stenosis, and the model found it, and then they went back and went, "Dang it, the model was right."

Right.

And imagine that, right? That patient now gets sent down to the right level of care. So he's got those great stories. So those matter a ton.

Yeah.

But also what matters is that when you actually start to introduce the technology, and I would say this for any software company out there, when you introduce technology, you also have to do a lot of work at first to

remind people why that technology is in front of them.

Mm-hmm.

And so we actually have a team that once we
integrate in, that we spend the first three months
really going through kind of customer success management, which is, "Let me show you what you guys actually found this month." Right?
"Here's the number of patients that actually got bubbled up to the surface that the physician actually might have called one way, but the model called another, and we actually could show the discordance and why that was a good thing." So when you start to show that, you move that AI adoption curve much faster
to the left. You get a lot more of those early adopters who now are kind of like going, "Look at this." And everybody else goes, "Yeah, I have that same patient.
I actually saw one last month."
Yeah.
"I'm going to use the model more." So I think between the two is having those kind of flagship sites, and we've been fortunate.
We just made an announcement
last week around the Mayo Clinic. It's one of the most world-renowned clinics in this space. We've signed a three-year deal and going on to a potential six-year deal. We've got the Beth Israel site. I got a number of other sites coming.
These are all flagship sites that are great, but it's really these smaller
individual cardiology clinics. They're seeing just the
kind of community folks, they need to get the right diagnosis every time, and we help them. And what do we do? We refer them to those sites, but we also then make sure when we integrate, we show them the success that they're having with the tool.
Because it's not always going to be inherent.
Yeah.
Everybody's busy.You know?
Yep.
And the model could be running in the background and you might see it and go,

"Yeah, yeah, okay," and you just keep typing.

But-

Mm

... let me remind you what that's actually finding for you.

Yeah.

And sometimes it's going to find that one patient that slips through the cracks.

We found them.

Yeah.

And

I've got a personal family story of that.

And you just go, "You know what? Nobody should ever get mis- or under-diagnosed anymore in cardiovascular disease." It just shouldn't happen. And, it does.

And cardiologists are amazing at what they do.

Yeah.

But it's a hard thing to do.

Yes. Yeah.

Oh, so well said.

Pivot a little bit here, Dustin. The thing that

I know a lot of our members

look for and really ascribe a lot of value to is that it's

the business model that has the potential to scale

very well, and software as a general

classification generally has that.

You mentioned before with your subscription model that people can use it an unlimited amount of times. It's very little risk for you guys as a company because maybe your AWS costs go up a little bit per month, but it's

never going to

sort of blow out of the water. And so you have this wonderful potential

for

as every customer joins, the incremental margin, just
hot butter to the bottom line in a lot of cases.
And I don't want to oversimplify it because every business as it grows,
as the revenues grow, it will grow in terms of its cost base. It's unavoidable.
But you do tend to get a little bit of that operating leverage.
So I wonder if... I
shouldn't do that as a leading question, but I wonder, do you feel that is a
potential for EchoIQ? And if so,
how does the team look at the moment in terms of its ability
to service a much larger customer set?
Yeah, no, and it's something we think about every single day, obviously.
And one of my jobs is to return the best value back to my shareholders.
And to do that is we manage our money and our costs the best we possibly can,
but making sure we invest to drive top line.
Yeah.
We are very blessed in the fact that you said something very clearly,
AWS, right? So that's a cost. It's a sunk cost, but it's a-
Yeah
... cost that's easily managed. But in our case, because, and we
haven't even really talked about exactly, and it's complex how
the multidimensional neural network works for us,
but I am running on incredibly low
cost for computation because even though I
talk about using echocardiograms, and inherently in your mind, if you see one of
those, you know what it is. It's a black and white image, right?
Mm.
It's an image. I actually don't take any of the
images off. So when I actually do my computation, we're actually doing

raw numbers. And so you can imagine taking 140

lines of raw numbers and pulling that in the cloud, computing it, and

dropping it down-

Mm

... being tiny amount-

Nothing

... of megabytes versus-

Yeah

... taking 100 and some images up into the cloud, computing and then dumping it

down, right?

Yes.

So all of a sudden my costs become incredibly well

maintained because it's megabytes we're transferring back and forth.

Yeah.

And so, we work with AWS. They're a fantastic group.

There are five different kind of servers across the United States that we can use.

We use one of them right now. I can actually do 12,000 echocardiograms

a minute on the one-

Wow

... AWS platform.

Really?

That's more than the US can do in a minute, right?

Wow.

So I actually have that covered at a very small cost.

Yeah.

So as a SaaS based technology, our costs are low, right?

Yep.

My computation's low.

Because I can actually do these kind of megabytes up and down on the cloud

and do it, I actually do things in seconds.

So, if you think about an image, it would have to take an upload time, you'd have to do some type of computation, and then a download time.

There's companies out there that do that.

It takes a couple hours, and sometimes it might even take the next day before that image and everything comes back.

Mm.

I do mine in about three seconds. So from the moment the physician hits enter to the time that that's there is about three seconds, and they got the report right there for them. So

costs are low, but then the other part of that is how do I then drive the business but also manage costs? So right now,

where we're running now, I'm running a little bit under a million dollars a month in spend.

Mm.

I've got about $10 million in the bank right now, about 10 or 11 million in the bank.

Mm.

I've got a good runway. We're on our way to revenue.

That looks really promising for us, but I can keep my costs low because I know where my customers are. So I know where the number of echocardiograms are done across the United States.

They're highly concentrated areas.

Even though the US is a huge footprint, I know because of the heat map that we work off of, where the big concentrations of echocardiograms are.

Mm.

And right now, I need about seven sales reps to build and manage effectively about 80% of the overall echocardiograms in the United States.

So a small footprint. We think of ourselves as a SWAT team.
We're very tactical about how we approach our customers and who we go approach.
And we make sure that we're hitting those customers that have the best opportunity for return, and we make sure that we can actually service them in a very specific geographical area.
Yeah.
And to do that, my costs stay low, right?
My overall
technology as a total cost is low. So I manage my margins
very, very well. And as you said, I got all kinds of opportunities to even make those margins improved over time, even if we scale.
Because even if I add 10 more sales reps, it simply means I just have that many more customers that we can bring into the fold.
Yeah.
But again, it's not the computation and the AWS and the server and all those costs.
That's minimal to me. So it's really about the operational cost of the
business and how do I make sure we manage that well. So we've done a good job.
I know exactly where every one of my sales reps needs to be to hit that kind of magic number for us.
Mm.
And we have a small footprint. Could I put 100 sales reps? Sure.
Yeah.
It just makes everything smaller, more condensed, and actually makes it harder.
Yeah.
So we don't need to do that. So we're really blessed in the fact that low cost of goods and a small footprint from a commercial perspective,
highly trained, highly skilled sales folks who can be very tactical
in their approach about where we go see them, and that's kind of our mantra.
So we're very focused on that.

Yeah. That's super interesting. And it does also strike me as,

for where you are ah,

in the life cycle of

a company like this, is that the salespeople are the rainmakers, right?

Mm-hmm.

At this point in time, like they are everything, and anyone who's been in

that space knows that it's a dark art, right? It's hard to...

It's a bit like marketing. You know half of your marketing budget is wasted, you

just don't know which half, right?

So how do you think about that in terms of incentive structures and

recruiting the right people? It's a very hard thing to

sort of

formulize. There's a little, well there's quite a lot of sort of

subjectivity and

vibes, for want of a better term for it.

So yeah, tell us a bit about those seven sales

team members and how you sort of align

their interests and why you have confidence in them to

sort of go out and make it rain.

Sure. Absolutely, yeah. So we sat down and really kind of created a

profile for us, and obviously you don't want to have everybody the same.

You really want to have some kind of complementary skill set.

Yep.

So obviously there's a ton of folks out there that have sold software as a

solution, and that happens across all kinds of business.

So obviously those folks are valuable because they understand

the sales cycle of really selling software.

Yeah.

And then you need a good mix of those folks that have that cardiovascular experience in there and can really speak the language of the cardiologist.
And you need those folks that have actually worked in hospitals and actually can pull technologies through hospitals.
Yeah.
Each one of those skill sets are slightly unique and different, and we want to make sure we got a good complementary of that within our team.
And then every now and then you get that unicorn that's done all three and you go, "Man, that's the person we got to get."
Yeah.
And sometimes you pay a little bit more for them, or sometimes you simply just get the right-
Which you totally should, by the way, right?
100%.
Yeah.
But we're also fortunate enough that we are attracting a lot of great talent because you look at the story of the company, and you can see why it makes sense. As an echocardiogram being really the nexus of cardiovascular care, anybody on this call who's watching this, if you went to a cardiologist, you got an echocardiogram. It just is what it is.
Yeah.
It doesn't matter where you are in the world, an echocardiogram is the cardiologist's first point of call, right?
Yeah.
Maybe you got an EKG with your general practice doctor, and then you went right to an echo, and you got the echo done. Why?
It's inexpensive, it's non-invasive, and there's an echocardiogram machine on every floor of every hospital in the world, right?
Yeah.

So I go to St. Vincent's in Sydney, there's going to be one on every floor.

Yep.

I go to the Mayo Clinic, there'll be one in every one of their hospitals.

It's cheap, it's inexpensive, and it's non-invasive. So echoes are done everywhere.

Mm.

So when I start telling the story to sales folks, and Nick does a

great job of doing this, they see it right away.

They go, "Echocardiograms, everybody uses one, and you've got a solution

that's actually meeting a need that the cardiologist has.

And oh, by the way, we can show the hospitals the economics of this?"

Mm.

These guys go, "How do I get involved?" And then we just happen to be in a

hyper-growth mode, so there's opportunities to grow with a small company.

So, we've really been kind of focused here.

We've got

four great folks on the ground now. The other three, we've got offers out too.

We've got a good complementary mix between software development or software

sales. We got really good development around cardiovascular disease and having that

knowledge, and then those folks that just have done it, like they've gotten it

through the system.

Yeah.

And it can be daunting to

go into a hospital system, and it's six weeks later waiting for one person to

sign the form.

Yeah.

But you go in there every week, and, "Hey, have you signed the form?

Hey, have you signed the form?" So -

Yep

... that's persistence at its best. And listen, I love it.

I get to get out and do some sales as well.

Mm.

I don't get to do enough of it, which is the fun part of the job.

But Nick and I have a belief that if we tell the guys to

go do something, it's because we've done it as well, and so we get out there and

sell as well. So it's a good time.

That's huge. You mentioned before, potential global

expansion. I know this is always a conundrum as well.

The US is just such the obvious place to start.

I mean, the market size is just massive, so I get that.

And again, there's no right or wrong answer here, Dustin, but there is a

natural tension, and it's like, do you focus...

And we've done a bit of a deep dive on Pro Medicus recently.

Very successful Aussie sort of

company.

Yep. Love those guys.

Yeah. They're wonderful, right? And they

just focus on the US. Well, mainly that's where they've sort of started.

Their bigger European competitor is more sort of around the place, and the

trade-off is, well, there's a lot of market

size outside of the US, but it is extra

resourcing. It is potentially a loss of focus on the core market.

How do you think about all of that? There is the

old saying of you grow yourself broke.

We come across every now and again a great product, a great

opportunity, but the company spreads itself so thin, the

market sentiment changes, capital dries up, and then they just, for no other

reason than just probably the only fault being a little bit too ambitious,

which is hard to be too critical of, but it is a balancing act, I guess.

And I'm rambling at this point, but how do you think about all of that?

So,

if you ask anybody on my team, they will tell you that it is annoying that I say

the same thing over and over again.

But I do, and I do that on purpose, is that we are not a shiny object

company, meaning that we can't always chase the next

thing-

Yeah

... without focusing on what we currently have.

And as soon as we get that right, then the next thing can be a priority.

But I see a lot of companies, and I've been in a lot of companies where we're

always thinking about the next thing-

Mm

... and it's real easy to forget that you've got something to do today here.

Yeah.

So we've said that about our research and development pipeline, and I'll tell you,

I got one of the best pipelines in the industry. I'm positive of that.

Yeah.

But I haven't turned that on all the way because I also can't get the team

distracted about what the cool new thing is without actually-

Yeah

... taking care of the things we have on our hands.

And I also do it about how we expand the company from a geographic perspective.

So I will tell you, the US is our focus, and it's our primary focus, and we'll be

very diligent about delivering on that.

I am an ASX-listed company. I'm an Australian-based

company. The technology was developed in Australia.It's a little

hard for me not to think we have to be an Australian TGA-cleared product.
So we are going to do that because it makes sense to me and it's the right thing to do, and this technology would help.
And we're training our model, for crying out loud, on Australian data.
It needs to be an Australian market.
Right.
But that's not a distraction for me. I think that's just the right thing to do.
So we will be very diligent about this.
There are some markets that make a lot of sense, and there are some markets that make no sense to me at all.
Mm.
And we have to be really diligent about how we look at that and we progress.
But I can tell you as a company, we will not be
far out too much in what our pipeline and our potential
opportunities are without securing what we have today, because I've seen too many companies lose that. And you're right, you can grow yourself broke, and that would happen, right? All that money gets spent without actually generating what you can have with your hands now. So, we're very diligent.
My team gets probably annoyed at me that I say we're not a shiny object company. Whenever somebody comes up with this cool idea, I'm like, "I love it, but we can't be distracted on that right now. Let's focus here."
Yeah.
And we'll get there. Our pipeline looks amazing, and when the guys are ready for me to invest, we're going to go crazy.
And it's not just what we have today, but we've got some really cool stuff coming.
And we will do it. It's just we'll make sure we get what we're going to do today, get that done well, and then we'll start to expand.
Makes a ton of sense.
I forgot to check questions. Here's one from Summer.

Speaking of ProMedicus, ProMedicus has had a hybrid debt equity facility
with 4DX. It's another company here.
Yep.
Does Echo have a similar agreement with anyone, or would it be something that you
would consider?
Love the question.
Good.
Yeah, look, obviously in our space,
partnerships
are really interesting, and there's a lot of options there.
ProMedicus being one of them, and obviously
Sam and the boys over there, they've got a great product and they're moving into
cardiovascular disease as we speak now.
Mm. Yep.
They've been really focused on radiology. They're moving over.
Their Visage platform is super cool. I like it.
So would it make sense that we talk to folks like Sam and the guys?
Absolutely. It would make a lot of sense.
I joke to Sam sometimes, like, "You might need me more than I need you to be
honest," because that's a great offering, walking into an hospital with your PACS
program and saying, "Oh, by the way, we've got one of the best AI solutions." But
hey, that's for him to decide, but we're having that conversation.
Debt equity, yeah, maybe. Capital infusement, possibly.
Or it's a straight strategic partnership agreement.
So we're having conversations with a number of different folks.
If you think about where I am in this space right now,
and it's really cool sometimes to have my job, because I can focus on the
commercial elements-

Mm

... and we're going to scale like crazy, and we're going to do a great job on that.

But I also have this opportunity to talk to a number of folks that I actually

benefit. So things like the medical device companies who put in the valves.

So aortic stenosis, the solution there is to get a valve implant, right?

Yep.

So that's Medtronic, that's J&J, that's Edwards Lifesciences.

Those are three pretty darn big companies that would gain by

having me find more patients who could put more valves in, right?

So obviously I become quite attractive for them.

Yeah.

So, what kind of strategic partnership discussions can happen there is really

interesting, and we're going to be doing a number of pilot programs with these guys

to help show how we become a really cool tool to help find more

patients.

Yep.

We haven't even talked about my heart failure solution, which is coming.

Right.

It's unprecedented the data that we have there, and I'm happy to walk

through that.

Yeah.

But when heart failure, that

solution is a therapeutic intervention.

So Novo Nordisk, AstraZeneca, BMS, these guys want to sell more

pharmaceutical products to the patients. Well, guess what?

I find about 50% more patients. I become really interesting as a companion

diagnostic for them. And then you talk about GE, Philips,

Siemens, ProMedicus, all these guys selling software into the hospital already.

Do they want a better value proposition by having something like me sitting on

their platforms? Of course, they do.

They're all trying to create their own AI solutions.

They don't work really well, and they struggle.

So they're going to have to come and have a conversation.

So long way to answer that question.

The answer is yes. What that looks like, that's still

being worked out, but I'm not a big believer in taking on any kind

of debt per se to the business. We've got no debt now.

We've got no warrants against the business. Would it make sense in the future?

Possibly. But right now-

Sure

...

conversations around strategic partnerships, revenue share,

equity infusements of capital, all those things are interesting and all these

partners are great to have conversations with.

But

love the ProMedicus guys. I think what they're doing is great, and their move into

cardiology,

I might be an interesting partner.

That is super interesting. You've got to love, any kind of win-win scenario is

always nice. So that's something to watch.

Dustin, I don't want to keep you for too much longer.

Is there anything that I didn't ask you that you think I

probably should have, or is there something, maybe another way to frame it.

When you have these conversations with stakeholders and investors, is there

something to your mind that

people miss?

From the outside, you don't know what you don't know, and so you go through various

talking points, but often I find the more interesting question is when you speak to someone in your position and they go, "Gosh, you know what, Andrew? No one asks me about this," but this is kind of a thing that- ... I might be fishing for something that isn't there, but is there anything there like that?

Yeah. I think, and this is where I get really excited about what I think we've done to de-risk the business.

Mm.

And most people think about a company our size and they think of single point solution. Like we've created a solution. Our widget, we got lucky it was good, and now we-

Yep

... want to go sell that widget. And to be honest, we did. Aortic stenosis was good, and we want to sell that widget. Well, we just presented our data for heart failure. It's not only good, it's amazing. So just to give the flavor to that, the outputs from the heart failure on that were that our sensitivity analysis was 99.5% and our specificity was 91.1. For most folks, that doesn't mean anythingBut when you start hearing numbers like that, you start to get an idea. 99.5, right? So what that basically tells you is that we are almost perfectly accurate in diagnosing heart failure.

Wow.

And we do that at scale. And to give you kind of context of that, so we look at other AI solutions, even outside of cardiology, but we'll look in cardiology. Typically, those numbers are in the 80% range.

And when you get to 80%, people go, "I got a pretty good solution here.
Like, it does pretty well. It does slightly better than a human."
Yeah.
Well, when you get into the 90% range, you start going, "This is kind
of unprecedented. We don't see that." And so for me, when I've looked at our
business, I said, "Aortic stenosis, we might've got lucky." But heart
failure says we didn't get lucky. We actually understand what we're doing.
We know how to put this together as a model that can help find those
patients correctly. So what does that do for me now?
And what a lot of people don't even think about a company like us is what's
the future? What does that look like?
Well, for me, what that looks like is I can look at other disease states now.
Pulmonary hypertension, mitral valve regurgitation.
Here's an interesting one, cardio-oncology. This is a passion for me.
So imagine somebody who's going in to get their
chemotherapy because they've got some form of cancer, and the chemotherapy
causes
chemotherapy-induced heart failure.
All of a sudden, this patient's sitting there going, "I'm dealing with cancer, and
you're telling me the drug that you're giving me might actually create heart
failure?"
Physicians have to make a decision half the times on, like, is it doing that?
Is it not doing it? They're making their best judgment call.
We believe, and we're going to be kicking off a study with this and we'll be
announcing this soon, we believe we've got the right solution that's going to
actually help the physician know whether or not that patient can be titrated on
their chemotherapy up or whether they got to titrate off or stop it
altogether because subtle change is happening within the heart to say that patient

is going into potentially chemotherapy-induced heart failure.
Over a million people a year in the United States alone go through this.
I think I can solve this. I think we can solve this as a company.
If we can, that not only is the morally right thing to do, but it is a
incredibly good business opportunity for us.
So all of that pipeline stuff's coming, and my team is already ready to
work on that. I simply pull them back. I say, "Guys, we can't get too far ahead.
We can't get too far ahead, but I know it's coming." So a company our size, most
people don't even ask me about that because they think, "Look it, you're a small
company. You've got to put your head down.
You got this one thing." And I'm like, "You're right." But because of my dataset,
because of the folks that I've built around this team,
I know what's coming. I see the future. I know what we're going to be able to do.
This platform opportunity,
we will not only probably change the face of cardiovascular disease over time when
it comes to diagnosis, I think we are going to be so sticky inside the hospital
systems that when we get in, they're not going to want to operate without us.
They're going to want us to have us there because I'm giving solutions every single
time that that physician needs an answer.
So
some people ask me, most don't because they think we don't think about pipeline,
but I see what the future has and I see where this company's going to
go. So I'm super excited about it. The heart failure model just confirmed to me we
are on the right trajectory for what we're trying to do.
That is a really good place to finish.
You've made me very bullish there, Dustin.
Look, we're, as a group, we're very interested
in investing, but I often say it's just so wonderful if you can
find something that not only sort of can deliver for you as an

investor, but also do good in the world and literally save lives.

So it's another one of those kind of win-win situations.

So,

keep up the great work.

Where would you send people if they were after more information or

what

things should be on people's radar, do you think, if they want to track the

company?

Yeah. Obviously, the website's first, and great news, the team has been

rebuilding that website for the last several months, so echoiq.ai.

Yep.

So go to the website, and that's continuing to get new and new information on

there. The marketing team has been phenomenal about creating that and putting a new

website out there. So I'd go there first, and then I would just tell everybody,

just kind of watch the space.

I've alluded to, we've got some real good near term kind of news flow coming for

this. Obviously, the FDA clearance, we're expecting that sometime between

now and kind of early May.

And that's going swimmingly well. We're very confident with the submission there.

So you're going to see a big infusement from that.

We got a number of kind of business updates coming.

So I think you're going to see a lot of news flow from us.

So if you're kind of casually watching, I'd say go ahead and just kind of watch the

news flow. If you're interested, the echoiq.ai is going to be a

great place for all the information about the company.

And then those that are actively looking to want to come on in, you can see where

the share price has gone, kind of

really skyrocketing in the last three or four months, and

it's just simply because we're out telling our story, and I think people are seeing it. One thing I do, especially if I'm in a room and there's a lot of people, I'll simply say, "How many people have had a friend, family member, loved one who's had heart problems?" And it's hard not to find every hand go up, right?

Yeah.

And then you start hearing the conversations that people have about, "Well, my father went in, but he didn't get diagnosed correctly, and he was a couple years kind of bouncing around." And you hear these stories, and I've got the same family story in our family, and you realize this is a hard thing to do, and any extra edge the cardiologist has to make sure that patient gets accurately diagnosed.

I tell my engineers-

Totally

... my data scientists, "Guys, every time you hit the keystroke, there's a patient at the end of that, right?"

Yeah.

They're still there. It's one of our moms, our aunts, our uncles, whoever it is.

Yeah.

We need to do everything we can to make sure we're helping them to make sure it get diagnosed. So there's a purpose piece to this that I love.

Yeah.

That part of me just resonates. So as an investor, I think about those two things too. It's like, am I doing good back in companies I'm investing in?

And then is there a chance for that company to really grow?

And I think we've got both of those. And I'm biased, of course.

Oh, look.

That was so well said, and I think I'm just going to quit while I'm ahead because that was a brilliant place to conclude it.

Other than just to say keep up the great work, and we might not leave it two years before the next interview, but we might-

Oh

... reach out next year just to keep up with things.

I love it. Absolutely. Yeah, and I had a great time, and I appreciate everything, Andrew. Appreciate it.

Awesome. Thanks, Dustin. Cheers.

All right. Take care. Bye.