

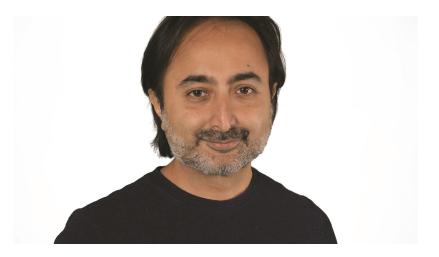
## Stanford eCorner

The Story of Livongo

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## URL: <a href="https://stvp.stanford.edu/clips/the-story-of-livongo">https://stvp.stanford.edu/clips/the-story-of-livongo</a>

General Catalyst managing director Hemant Taneja describes the origins of Livongo, and the factors that inspired its founder Glen Tullman to build a platform that reimagined diabetes care. When building a technology-driven solution in a field like healthcare, where decisions will have a dramatic impact on people's lives, Taneja observes, a "technology-first" mindset can be a liability. He emphasizes that it's crucial to think beyond the technology itself, and build with a deep sense of empathy for the problem.



## **Transcript**

- There's a phenomenal entrepreneur from Chicago, 00:00:04,690 Glen Tullman and he does, this is 2012, I'm just gonna tell you a little story of how the company came about.. He was gonna retire from his previous company which was a public company and essentially invest out of his family office.. So I invited him to the Valley, and I set up eight.. I think it was eight or nine speed dating meetings with a bunch of technology founders doing healthcare in my office in Palo Alto.. And at the end of the day, we went to dinner and Glenn in his typical very polite Midwesterner stylist said, "Hey man terrific founders.. But I got to tell you none of these companies is gonna work." And I actually said exactly right.. And the reason is because these companies are technology first in their culture and they actually didn't don't understand that healthcare is not a free market and don't have empathy for the problem as well cause these are folks that have really not been in the healthcare space.. And the reason I did that is I was basically making the patient on him, don't retire, let's team up because we can culturally build something that's gonna be a intersection of technology and healthcare, a true partnership.. And that is what it's gonna take.. If we wanna, we want to transform the healthcare space..

And then we drew up on a white board what segment we wanna go after.. We decided on diabetes because it was personal to him.. His son had diabetes and others.. And so he has sort of seen the pain for his son.. And we from first principles decided, the goal there is going to be twofold.. We wanna transform the consumer experience, because if we think about the life of the diabetic, it used to be you're checking your blood glucose every day.. You're writing, the data points are constantly thinking about it in the background.. And then you go see your PCP four times a year with that data to see how you're doing well, by the way the reality is if you were okay that day to go see your PCP you were probably doing that well that day in the middle of those two visits, you might've gone to the ER because of some Caesar, is this a real time needs to be real-time managed as opposed to being checked on four times a year? So we decided how about we give consumers an experience where they can disengage from the disease, not thinking about it all the time, and if something was trending wrong we will be monitoring in the cloud and we'll call them so they can have their peace of mind.. So that was first which is transforming the consumer experience.. The second was we did an actuarily analysis and diabetes, consumers with diabetes and other conditions cost to healthcare system about \$350 billion..

And we said, we're going to take a hundred billion dollars out of this market by keeping people healthier by assuring their health.. So our healthcare thesis essentially was about how we transformed the consumer experience to make it more preemptive, but with a real commitment to shrinking the size of this market which is very anti-capitalistic, right? when, you mention Strapol, is Strapol earliest mission is to increase the GDP of the internet.. The mission in our care work is to actually reduce the GDP of healthcare, because this is a drain on society.. And when we reduce the cost so folks have resources for other things.. So that's how we started building company.. And honestly taking that point of view and putting the consumer in the middle of the build something that grew as fast as any of the other businesses.. We, we started in 2013, we ended up going public in 2019.. And then last year we decided to combine Lavango with Teladoc in an 18 and a half billion dollar merger.. The reason being we wanted to take the two winning platforms, put them together and build a modern virtual health system that could truly transform as a platform, as opposed to these two companies competing and killing each other.. So that's the brief story of Livongo...