

DICOM Grid revolutionizes Medical Image Exchange

**Healthcare
Medical Imaging Technology
(Private)**

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**Morris Panner
Chief Executive Officer**

BIO: Morris Panner is an experienced software executive, having recently built and sold an industry-leading business process software company, OpenAir, Inc., to Larry Ellison's on-demand software company, NetSuite (NYSE:N). Morris built the company from inception to a global company with Fortune 500 clients. Previously, Mr. Panner had worked in healthcare IT, partnering to form an early telera-diology venture.

Morris also has worked as a Federal Prosecutor for the U.S. Department of Justice and as a corporate attorney

with Wachtell, Lipton, where, among other things, he represented major pharmaceutical companies.

Morris is on the Board and a past Chairperson of the software board of the Software and Information Industry Association; served as a Senior Advisor on Cyber-Security at the Harvard Kennedy School's Belfer Center; as well as the board of Drug Strategies, a not-for-profit dedicated to fighting addiction and drug abuse. He has been featured in the "Boss Column" of the New York Times and in Fortune, Business Week and other leading publications. Morris has a BA from Yale University and a JD from Harvard University.

Company Profile: DICOM Grid powers Medical Information Exchange with our patented platform.

Now you can safely and easily deploy cloud applications for medical imaging collaboration, exchange, vendor-neutral archive, business continuity, EMR integration, bio-informatics, and more. Discover what the power of the cloud can do for your healthcare enterprise at www.dicomgrid.com.

**Interview conducted by:
Lynn Fosse, Senior Editor
CEOCFO Magazine**

CEOCFO: Mr. Panner, what attracted you to Dicom?

Mr. Panner: There are two things attracted me to Dicom Grid. The first is that the national imperative to improve healthcare efficiency and Dicom Grid is squarely in the middle of that. The second thing that really attracted me was the excitement of how this technology could improve diagnostic imaging, which is an enormous

component of all healthcare. Another thing was also how this technology could improve diagnostic imaging by letting people more easily share, view, and store these critical pieces of health information.

CEOCFO: How has medical imaging been shared and stored, and what is it that Dicom Grid is doing to make it easier?

Mr. Panner: If you have ever had a medical image taken, you probably either received a big piece of film in a big folder or a CD that contains a file, and they are usually pretty large files of your image. You can expect to literally walk around or mail it around if you want to transfer the image from one place to another. Dicom Grid revolutionizes Medical Image Exchange. Patient privacy is a huge priority, and we are HIPAA compliant, but in the financial sector, they have been ahead of this game for a long time and we are going to bring that kind of efficiency and effectiveness to the healthcare sector as well.

CEOCFO: Is there much competition and has a cloud version been tried in the past?

Mr. Panner: This is new, and there is competition. I think there is a great deal of interest in this, so there is competition in the sense that people understand that healthcare has to change. What we think we do is bring two things to the equation, which others do not, and one is that we have a patented technology to improve and protect patient privacy. The second is we bring deep experience in how to take software as a service and bring that to a highly sensitive business environment.

CEOCFO: What was the biggest challenge in putting it all together?

Mr. Panner: The biggest challenge is being able to outlast what have been traditionally very slow cycles of change in the healthcare sector. Traditionally, healthcare has not been the place of enormous technical innovation, you see concern about patient privacy and these have not been rapidly moving organizations. Where we have made enormous progress is by partnering with some of the most innovative healthcare providers in the world and finding ourselves able to change the way they do business.

CEO CFO: How long has the technology been available and how many organizations are making use of it today?

Mr. Panner: Well it has really taken off within the last year or so and very rapidly. We are now in about forty hospitals nationwide. Believe it or not, this will give you a sense of how dramatic the growth of diagnostic imaging it, we have close to half a billion images under management right now.

CEO CFO: You mentioned security; how do you make sure that images are safe and that the wrong image does not get to the wrong place?

Mr. Panner: There are two pieces to that question, the first is how do we keep images safe and the way we do that is we separate the patient information from the image itself so if you are an outsider you cannot put two and two together, this will protect privacy. Then what is part of our technical competence is we provide what we call demographic normalization. This simply means we take all the data about a patient and make sure that a hospital is able to match that data with the patient. Therefore, the most important thing is making sure that you have the right image for the right patient. That is one of the things that we have technologically innovated around that makes this such a compelling solutions.

CEO CFO: What is the revenue model for Dicom Grid?

Mr. Panner: It is a subscription model, so there is no upfront cost. People pay much like you would for a salesforce.com. They pay on a monthly basis based on how many images they are uploading into the cloud, it is a very clean model, there are no additional fees, and once in the cloud, you can share it, look at it, and that is a compelling piece as well which is a very controllable cost for healthcare institutions.

CEO CFO: Have the medical and/or the technology communities embraced Dicom Grid?

Mr. Panner: We have exceeded our expectations. Some of the world's leading healthcare institutions have embraced what we have done. Oftentimes, you find that technology sort of climbs the innovators dilemma where you are finding yourself in, just good enough use cases and then gradually transitioning into larger and larger institutions. Interestingly enough, I think people in healthcare who are

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thinking about the business and patient care landscape realize that they need tools like this to stay ahead of the game. We have been extraordinarily pleased with the partnerships we have been able to develop and the business and technology leaders that we have been able to partner with within healthcare.

CEO CFO: How do you reach potential customers?

Mr. Panner: There are two ways. We are doing the hard work of reaching out to people as you would in any business, and that is just hard work. We have started to enter a little bit in the thought leadership role where industry leaders are talking to one another about it and that is a very positive place to be.

CEO CFO: Are you currently working with hospitals outside the US?

Mr. Panner: We are starting active discussions with institutions and physicians in Europe, as well as in China and Africa. They are looking carefully at whether they can leapfrog and move to an effective digital infrastructure to control cost and improve patient care. Oftentimes, the challenge is that there are large underserved populations and using digital means to be able to more effectively bring care to these populations is a priority for the healthcare systems.

CEO CFO: Do you have one standard offering or do you offer customization, tweaks and extras you can add?

Mr. Panner: One of the innovations is that we have developed what is truly a cloud based offering. More than any other feature, we allow the customer to customize their workflow, so we decidedly do not offer a one-size-fits-all, we offer one size that can be modified by the user to fit your exact needs. It is a little bit like being able to walk into your car dealership and choose exactly how you would like your auto configured, how you would like the seats configured, or how big the storage space should be. That is what we let people decide.

CEO CFO: What is the financial picture like for Dicom Grid?

Mr. Panner: It is very positive. We just raised within the last couple of months \$5 million from two significant institutional investors. One of them is Cayman Partners, which is a global venture capital firm, and the other is CHL Medical Partners, which is also in Connecticut.

CEO CFO: Why should investors pay attention to Dicom Grid?

Mr. Panner: This is going to be the way people manage what is today a \$2.5 billion market. The stakes are extremely high, the market is extremely big, and there is an imperative for innovation that companies like Dicom Grid are going to pursue.