

Ontogenetics Inc.

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Industry: Healthcare equipment

Management:

Ed Buckley, Founder, CEO
Roy Reichwein, Co-founder, CTO
Seeking to fill additional roles:
Chief Marketing Officer

Board:

Andrew Bangser, Financial Advisor
Maureen Ahern, Marketing Advisor

Scientific Advisory Board:

Ron Cohen, MD, Clinical Professor of
Pediatrics, Stanford University;
Medical Director, Lucille Packard
Children's Hospital, Stanford, CA
Doug Wallace, PhD (Psychology)
UC San Francisco: Assist Prof Medical
Psychology
UC Berkeley: Research Consultant

Number of Employees: 2 FT partners

Finance: Seeking Controller

Funding to Date:

Founder: \$100,000
Private investor: \$130,000

Financing Sought: \$750K (Seed)

For:
Manufacturing
Marketing
IP
Operating Costs
Overhead

IP: Kolitch Romano, Portland, OR

Legal: Fenwick & West, Palo Alto, CA

Business Description / Company Background

We believe newborns deserve the best possible start to their new life – and they're not currently getting it! New research is showing that stress in a newborn's early environment may foster adverse developmental outcomes in both the short-term *and* long-term. Exposure to stress in early life, has both acute and lasting effects on cognitive function and behaviors across the lifespan and possibly into future generations. Ontogenetics is a healthcare startup that addresses the safety, development, and well-being of newborns during their critical first 4 months of life. We offer, Sleepynest, a smart cradle that smoothly transitions newborns from the womb to the world by reducing the stresses caused by their sudden and maximum change of environment. Ontogenetics Inc. is v2.0 of this concept. v1.0 was a company founded in the early 1990's that ran clinical trials and eventually abandoned the product.

Market Opportunity / Unmet Need:

There are 3.6 million babies born each year in the U.S. alone (CDC). Many products for newborns attempt to calm and sooth fussy infants. Most are ineffective and none address the root cause - the stress and fear that accompanies the change in environment from the womb to the world. Previous clinical trials showed many positive outcomes: infants slept through the night sooner and longer, cried 63% less, had improved neurological development, gained weight faster, and preemies were discharged from the NICU 20% sooner. These are outcomes all parents want and hope for with their new baby. Now there's an easy and affordable way to realize these benefits. We also have anecdotal data that strongly suggests our method *prevents* colic, decreases postpartum depression, and helps drug-exposed babies.

Products / Services – Launched & Pipeline:

Our product is a safe and smart cradle that simulates the womb environment. Babies cry less and have improved development. The mattress is 100% breathable and eliminates the hazard of suffocation. Notably, the cradle can be personalized to the natural biometric rhythms of the infant's own mother. Future versions will include sensors for continuous monitoring of infant biometrics. Using artificial intelligence and deep learning techniques, this large and rich database will provide real-time crisis alerts and predictive analysis, among other uses.

Commercial / Technical Milestones:

We've completed the design, prototypes, and pilot manufacturing of first samples for our soft launch prior to Y1. Provisional and nonprovisional patents are filed. We expect first revenues by the end of 2022. Manufacturing and marketing will be commensurate with funding.

Competition / Competitive Advantages / Customer Benefits:

None of our competitors (Snoo, MamaRoo, Cradlewise) address the womb environment with integrated motion and sound, none have patents for personalization of the cradle, none have a fully breathable mattress, and none have clinical trial data. Competitors try to stop infants from crying. We provide a nurturing environment that naturally reduces the need for crying.

Financial Projections (Unaudited):

We will rent the cradle rather than sell it making it affordable for a wider market. Our product supply is limited for most of Y1 as we build inventory. At scale, the manufacturing cost is covered by the first rental and subsequent refurbishments are $\approx 1/3$ of the rental revenue.

	Y1	Y2	Y3	Y4	Y5
Revenue (\$000)	\$320	\$2,820	\$7,730	\$20,190	\$35,630
Growth Rate (year/year)		780%	170%	160%	80%
Gross Profit (\$000)	\$180	\$1,870	\$5,180	\$13,840	\$24,290
Gross Margin	52%	66%	67%	68%	68%