

Driving health tech with patience and deep knowledge, a profile of Crista Galli Ventures

In the ever-growing investment landscape, funds are multiplying and diversifying, and for startups there is more to raising investment than the money and the media moment. With #QVCS Maddyness profiles different funds to give founders and entrepreneurs the information they need to choose the right investor. Today we interview Dr. Fiona Pathiraja, founder and Managing Partner, Crista Galli Ventures

Dr. Fiona Pathiraja is a former NHS consultant radiologist, and the fund is advised by a strong group of trusted advisors, many of whom are prominent in medicine. Therefore [Crista Galli Ventures](#) brings real healthcare expertise to bear in the VC industry. Crista Galli Ventures was set up in 2019 as a specialist healthtech fund. Today, we are a \$65M evergreen fund based between London and Copenhagen. We invest in amazing pan-European healthtech startups at seed and series A. We also have a pre-seed investing initiative, Crista Galli LABS, which aims to support under-represented founders.

Which industries are you working in?

We invest in healthtech, focusing on 3 key areas:

Deep tech: (AI/ML in healthcare). Portfolio companies in this area include Quibim (Spain) and Radiobotics (Denmark).

Digital health (B2B and B2C apps to support patients along their healthcare journey e.g. chronic disease management). Portfolio companies in this area include Skin Analytics (UK) , Keleya (Germany) and Ampersand (UK).

Personalised medicine (Health companies with a tech layer focusing on the genome, epigenetics or microbiome to aid tailored treatments for patients). Portfolio companies in this area include Juno Bio (UK/US) and Pear Bio (UK)

What do you look for in a founder?

We are looking for outstanding founders who understand the healthcare landscape and who have a passion for building the future of health. We look for founders who have a clear understanding of the problem they are trying to solve and who understand the relevant pain points of the healthcare system that they need to overcome.

In terms of characteristics, we are looking for exceptional founders with an entrepreneurial spark who find creative ways to solve problems and who are dogged in their determination to find solutions to difficult challenges. We want those with grit and resilience; a characteristic that is particularly important during the pandemic. Also those who are willing to take advice from others and build a strong team around them, both in terms of their team and the advisory board around them. Importantly this requires that founders have a level of self-awareness.

Can you talk about your current portfolio?

We have invested in 13 companies at seed and series A, and 4 as part of Crista Galli LABS, our preseed initiative. Our full portfolio can be found [here](#).

We have invested across Europe from Sweden to Spain, in 7 countries to date. We also have a single US investment in Subtle Medical, a deep tech radiology

spin-out from Stanford university in the US.

All these companies are trying to solve complex problems in healthcare through the innovative use of cutting-edge technology.

How has COVID-19 changed the way you operate?

Healthtech investing is even more exciting now as everyone is concerned about health due to the pandemic. From the grocery store queue to the cabinet of the UK govt, we are all interested in health and it is THE global conversation at present. This is optimistic for the future of healthtech; every month of the pandemic has accelerated openness in attitudes about healthtech that would previously have taken years.

Crista Galli Ventures are fully remote at present and working as 'digital nomads'. We have realised that many of our previous overseas trips may not have been absolutely necessary and we are reflecting on how we operate in a post-covid environment.

In terms of cash deployment, we have been investing throughout the pandemic, participating in 4 series A deals across Europe since the pandemic started.

What does the future look like? New trends/technologies, changes in the global/local economic landscape?

The future of health looks promising. The pandemic is putting health front and centre of policy agendas across the world and the tailwinds of the pandemic are lifting innovation in healthtech.

Remote working is the current norm and this will increase the focus on companies needing to look after their employees' physical and mental health whilst working from home. Startups working on employee physical and mental health will thrive in this new environment.

Deep tech and the promise of AI in healthcare is slowly coming to fruition - in the US, the door is opening for reimbursement for AI software. Viz AI's stroke software for CT scans got Medicare's '*new technology*' coverage as an add-on payment at up to \$1,040 per use in patients with suspected stroke. They are the first AI software to receive this. This milestone opens the door for other AI

startups in Europe who are looking to scale in America.

Digital health (B2B and B2C) in the chronic disease management space; the German govt have just given the green light for doctors prescribing two approved digital health apps (tinnitus and anxiety) to patients. This means that policy changes are supporting digital health prescribing which is important in it becoming the norm as we build the future.

What makes Crista Galli Ventures different?

We know health inside out. With our deep healthcare networks and health expertise, we are a true specialist investor. Having us on your healthtech board and on your cap table truly adds value.

As we are an evergreen fund with a single investor, we are inherently 'patient' capital, not requiring a return within 5-7 years, like other funds. This allows our companies to navigate the complex, regulated healthcare landscape at a natural pace for them. We know that being a success in healthcare takes time and we are keen to support our founders to do this at a pace that feels comfortable to them.

What one piece of advice would you give founders?

Grit, persistence and determination are often undervalued in the founder journey. Don't take negative feedback too personally. Take it on board and make any necessary changes but keep your belief in yourself and keep showing up for yourself. If you can't believe in yourself, you can't expect others to.