As the pandemic disrupts supply chains, Vamstar raises £1.25M to reinvent procurement in healthcare

London-based Vamstar is creating the world's first AI powered B2B healthcare marketplace. Today, the company announced a £1.25M seed funding led by btov with participation from Antler and Begin Capital.

COVID-19 has shaken the notion of supply chain stability in the global economy. In the healthcare industry, this has led to equipment shortages in hospitals, suppliers struggling to find relevant contracts, and medicines held behind during transportation. The pandemic has shone a spotlight on the importance of sourcing and procurement, especially within healthcare.

Vamstar is reinventing healthcare procurement, by using data science to connect billions of data points across the supply chain. Vamstar enables real-time profiling of suppliers and buyers while matching recommendations across various contracts, tenders, and direct purchases. This process improves market access, and achieves significant time and cost savings for both buyers and suppliers. For example, a pharmaceutical company that we work with has made a 40% time savings, which equates to approximately $250K, while bidding for $4.5M of new tendering business.

"The healthcare industry is still spending 40% of its revenue base on matching buyers and suppliers manually, using legacy systems. This is a time consuming process that costs hospitals money, while hampering the ability of suppliers to position new technologies. We want to put an end to that. Vamstar is introducing data-driven decision making in the $8.4T global healthcare supply chain to replace manual processes in sourcing and procurement. Connected transaction level data is critical to lead the transformation of the healthcare supply chain and has the potential to unlock tremendous value." – Praful Mehta, co-founder and CEO of Vamstar*

Vamstar currently matches $2T of healthcare contracts and tenders for pharmaceutical products, medical devices, healthcare services, and medical technologies across public and private buyers like hospitals, universities and governments in 70+ countries.

"An increasing need for competitive, diversified and transparent sourcing approaches and the manifestation of value-based tendering and procurement create the foundation for a future infrastructure platform in health care procurement. Having known the company since its very early

days, we were able to eye-witness the impressive and rapid development of Vamstar over the last few months." – Jan-Hendrik Buerk, Principal at btov

Vamstar has won multiple Innovate UK grants with the <u>University of Sheffield</u> and the <u>University of Nottingham</u>, to contribute to post-COVID recovery by ensuring that the supply chain risk and supply-demand matching can be monitored in real-time within our healthcare systems.

The European startup will focus on building the supplier and buyer related use-cases to accelerate growth. The Vamstar team will grow globally from the UK, Germany, India, and the United States by the end of 2021 with new roles in sales and marketing, product development, and data analysis.

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Article by MADDYNESS