Sung-Ho Han – CEO & Andrew Son – Chief Strategy Officer, Olive Healthcare, South Korea



Bello helps consumers measure their own abdominal fat anytime and anywhere, without having to go to a hospital for an abdominal CT image.

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Olive Healthcare is a startup developing

wellness and medical devices services for the quantitative measurement of body composition, an integral part of the new healthcare paradigm based on prevention. Here, Dr. Sung-Ho Han, its CEO and founder together with Andrew Son, chief strategy officer, sheds light on the first two years of the company, the upcoming launch of the abdominal fat scanner, Bello, and his future ambitions to conquer the US market.

Dr Han, after a successful past in academia and at LGE, you decided to enter the startup game with Olive Healthcare. Could you please introduce yourselves to our international readers?

Sung-Ho Han: I graduated from Seoul National University in Korea with a bachelor's and master's degree in physics and later received a PhD in physics from the University of Colorado, Boulder. From 2006 to 2011, I worked as a postdoctoral researcher in the Radiology Department at the UCSD Moores Cancer Center and I worked on biomedical optical imaging for cancer detection and metabolic diseases. Since then, during my stay at LGE, I developed a medical imaging device for early diagnosis of rheumatoid arthritis by imaging the inflammation status at finger joints. During this time, I realized the size of medical expenses, at both a personal and governmental level, and

the importance of prevention, which is actually a new healthcare paradigm. Hence, in March 2016, I decided to set up a company, Olive Healthcare (formerly, Infit & Company) focusing on this paradigm change. While initially our company naturally evolved from my experience in LGE, we are a completely independent entity, also in terms of funding.

Andrew Son: I majored in chemistry and completed an MBA at Yonsei University. Starting with Samsung, I have worked for IT and healthcare companies such as J&J, LG Electronics for over 16 years. I mainly worked in business areas such as strategic planning, product planning, business development and marketing. Dr. Han and I first formed our relationship as a team leader in R&D and a business development manager when we were in LGE. Later, while working on strategy and investment in Yuhan Corporation, I reviewed the business plan of Olive Healthcare for investment review purpose and was fascinated by the company's technology, products, talented people and promising market. Consequently, I joined Olive Healthcare as a team member and not an investor. That choice was very lucky for me.

Could you please introduce Olive Healthcare and its technology to our international readers?

Olive Healthcare is a company that aims to provide healthcare solutions to customers. Our priority is digital healthcare and medical diagnostic devices aimed at measuring the body's physiological changes, but we will extend our area of expertise to personalized data service based on AI technology. Currently, our business sectors are wellness and medical diagnosis. The technology is different from the one used at LGE, and it was exclusively licensed from the University of California. We further developed it, made it marketable and created something new and unique. Our scans can non-invasively quantify Hb, HbO_2, lipid, and water with high precision using DMW-NIRS (Discrete Multi-Wavelength Near Infra-Red Spectroscopy). They are all critical physiological parameters for cancer, inflammation, muscle quality, and metabolic diseases.

What is your product portfolio and strategy both in the wellness and medical segments?

Wellness is the first segment we will focus on –as the time-to-market is lower – through the commercialization of Bello, a miniaturized abdominal fat scanner. It will be released in 2019. Bello helps consumers measure their own abdominal fat anytime and anywhere, without having to go to a hospital for an abdominal CT image. This has a strongly preventative function, as abdominal fat

constitutes a higher risk factor than obesity: recent studies have shown that people with normal BMI and overfat have twice the mortality rate than those with simple obesity or overweight. In the long term we are planning to extend our wellness product portfolio to body contouring and senior care, aiding rehabilitation and allowing elderly mobility. At a later date, we plan to enter the medical devices business, through devices aimed at detecting breast cancer, local muscle imbalances and erectile dysfunctions.

How do you market your products and who are your competitors in this niche?

The main market for all of our products will be aimed at the US market, which represents the lion's share of the global medical devices market. The only exception is the body contouring sector, targeted at the booming Asian aesthetic market. We are using both B2B and B2C platforms. Our main channel in B2C will be both online and offline through partners like Amazon, Best Buy, CVS or even Facebook. In B2B we are already closing partnerships with a variety of actors, such as diet services providers, fitness chains, insurance companies, and clinics, who will include our products in their packages.

Regarding our competitors, we actually compete with conventional weighing scales. However, scales simply measure weight oscillation, not body composition, so it is safe to admit that our products have a competitive advantage. For example, diabetic patients are requested to lose fat rather than weight. There is not a device on the market that can measure it as accurately as Bello.

How do you finance your tight product development schedule of a launch every two years?

True, our schedule is tight, but our products all use the same technology, which means less financing than required to develop a completely new item from scratch. The development of the software and services is probably the area that will require the most funds in the future, as we need to create the ecosystem.

Talking about preventative care, how can a company assist the behavioral change of consumer?

Our devices will be accompanied by some services aimed at this. Through our ecosystem, it will be possible to correlate the level and type of exercise with the nutritional aspect and the exact fat and body composition measurements Hence, it will identify useful patterns. Our aim is not to simply to measure, but to create an ecosystem that is user-friendly.

How would you evaluate the startup and medical devices' environment in Korea?

At this time, a lot of high-quality products are being developed based on excellent IT and BT infrastructures. In addition, the Korean government has selected the bio-healthcare sector as a future growth engine and has implemented various support and development policies. There is a lot of money and growth. Perhaps a few years ago we would have considered establishing my company in the USA, but now Korea represents the ideal environment. The governmental efforts are also helping this tech development; we are overall very positive about President Moon´s initiatives. However, there are still some areas of improvement. We rarely have success stories for medical devices sales overseas. Nonetheless, Korean industry requires more commercial knowledge and expertise.

Where do you see Olive Healthcare in five years?

First, we want to successfully launch Bello. Secondly, we want to develop the ecosystem and new businesses based on big data analytics. Finally, we want to launch a breast imager for detecting malignancy both in the Korean and US Market by 2021-2022.

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