

**Executive Highlights**

- Startup Companion Medical has raised \$3 million in Series B financing, led by Lilly. The company is developing a durable Bluetooth-enabled insulin pen and a smartphone app with a built-in bolus calculator. It will work with cartridges from the existing insulin manufacturers.
- An FDA 510(k) submission is expected in the "near future," with potential launch in two years or less. Cost and pricing are unanswered questions.

Yesterday, startup Companion Medical [announced](#) the initial closing of a \$3 million round of Series B financing, led by Lilly. The company is developing a durable, Bluetooth-enabled insulin pen and a smartphone app with a built-in bolus calculator. Companion expects an FDA 510(k) submission in the "near future," and it sounds like the integrated pen and app could be on the market in two years or less. The company's Bluetooth-enabled pen will work with cartridges from the existing insulin manufacturers - we're glad to hear that the Series B investment does not limit Companion to Lilly, as we believe many patients can benefit from this technology. As part of the financing, Lilly's VP of Delivery and Device R&D, Divakar Ramakrishnan, will sit on Companion's Board of Directors. Companion has not disclosed the round's other investors or how much has been raised to date. Diamyd Medical was [an investor in the A-round](#) (April 2014).

Companion's Bluetooth-enabled pen is fully integrated, meaning it is not an add-on cap like Vigilant's Bee (which [won a CES 2015 design award](#)). That's a major plus for patient convenience, though it will likely require Companion to work with insulin companies to bring this to market. Notably, the pen can differentiate between prime and therapy doses and does not require recharging. We saw it in person a few months ago in prototype form and were impressed with how seamless it all worked. It's unclear how the cost will compare to conventional insulin pens, but we imagine it will be at least somewhat more expensive.

We are fans of Companion's company vision: to bring many of the same benefits of pumps (insulin-on-board, bolus calculator, dose history) to those on MDI. The company boldly envisions smart pen technologies as the most common form of insulin delivery in the next five years; certainly, a lot of that will depend on market dynamics, pricing, and the relationships it builds with the existing insulin players. Companion currently has five full-time equivalent employees, and the three-person management team has a lot of experience. CEO Sean Saint has type 1 diabetes and formerly worked as an engineer at Tandem, Dexcom, and Medtronic. Meanwhile, CFO Ken Sunshine was previously CFO at Virgin Galactic, and VP of R&D Marty Holmquist previously worked at all three companies.

**Close Concerns Questions**

**Q: How will Companion and insulin manufacturers work together to bring this pen to market?**

**Q: Will patients and payers pay more for a Bluetooth-enabled pen/smartphone app? How much more?**

**Q: How long will FDA clearance take? Will FDA express concerns, particularly with paired the bolus calculator app?**

**Q: How challenging is it to manufacture a Bluetooth-enabled pen at scale?**

-- by Adam Brown and Kelly Close