

## Zuellig Pharma invests in healthcare startup Klinify

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**Klinify is a cloud-based clinic management solution that helps doctors go digital, without interrupting their work processes.**



Zuellig Pharma, the region's healthcare services provider, announced investment in a Singapore-based healthtech startup Klinify. Klinify is a cloud-based clinic management solution that helps doctors go digital, without interrupting their work processes. Here is a lightly edited version of the discussion with Maarten Kelder (Senior Vice President, Strategy & Solutions, Zuellig Pharma) and Krishanthan Surendran (Founder & CEO, Klinify):

**Q.** Before we delve into the specifics of this partnership, please elaborate on the broad technology and solutions landscape that Zuellig Pharma has been considering or has ventured into, as part of its overall business vision?

**Maarten:** Zuellig been supporting growth of the pharma industry for almost a hundred years now. That said, technology, data and digital in particular are increasingly becoming more important for us. We have a presence in 13 countries, with our business focussed on the Asian market. One of the things that we want to do now with technology is to come up with a service portfolio of value added services geared towards catering to our customers. We believe that the investments that we're making in the digital and data space right presently are really an important component of this, with the Klinify investment a specific example of that.

**Q.** What specific role do you see Singapore playing in delivering to this objective, especially as it evolves into an entrepreneurship and Life-Sciences hub in APAC?

**Maarten:** Singapore offers a fantastic entrepreneurial environment, always being amongst the top ten places globally that offer a conducive business environment for start-ups. I think the government's emphasis is on providing a very clear and coordinated approach around what type of jobs they want to create, and what type of innovation they want to have in Singapore. This is really helpful, as it attracts organizations like us to come in here. Also, from the pharma industry standpoint, the focus on initiatives like building a Smart Nation and the Bio Health Care Hub that Singapore is becoming, serves are a really good linkage.

**Q.** So, coming to Klinify – how does this specifically fit into Zuellig's business strategy, and what were the key drivers for this

investment decision?

**Maarten:** We think that Klinify has the potential to really change the face of Clinic management. Krish and his team has spent thousands of hours really understanding what doctors do, what are the pain points they face in running their practice, and what are the obstacles to digitization. I think his team has also come up with a really good and efficient solution for it. Instead of doctors having to change their normal working practice, this solution integrates into how they function and we really believe that it is a new way of trying to digitize the workflow. There have been a lot of other unsuccessful attempts to get doctors on to a digital platform, but most of them have failed probably because doctors have a very specific way of functioning and any solution that requires a change to that will not work well. What Krish and his team has however achieved is that they have built a solution that seamlessly adapts to how the doctors work, instead of the other way round.

**Q.** As an entrepreneur, what were your key considerations, while evaluating this partnership from the perspective of Klinify? & if you could also elaborate on the benefits that you hope will result with this investment?

**Krish:** After developing the product for the Singapore market, and once we started receiving good adoption here, we realized that we needed investment and expertise to scale up. To help Klinify enter new markets and grow in the region, it needed to tie-up with a partner who had the experience and acumen of scaling up the business in such diverse market conditions. For instance, without this partnership, it would have been nearly impossible for us to build a sales force for each country, and adapt the product according to each market that we entered. So, we looked at Zuellig and it was a natural partnership, as our visions aligned – Zuellig was looking into data and data analytics and our expertise was getting data from Clinics. So, while Zuellig got access to thousands of doctors in the region, Klinify got access to these markets by being able to easily adapt the solution to doctors' needs.

**Q.** For our readers, can you also briefly share about Klinify, its key features and probably the roadmap moving forward?

**Krish:** Klinify helps doctors go digital, without checking the workflow. We leverage on new input technologies such as voice text, writing, new templates – so that it becomes easy for doctors to just tap. This allows them to go beyond the capability workflow, or any workflow that they have on our platform, and start documenting immediately. We next realized that most EMR solutions have got doctors onto a digital stage, but have stopped at that point. They don't unlock the potential of this digital presence. This was also another reason why we decided to partnership with Zuellig: there are a number of workflows that can be automated, all the way from inventory management to ordering to insurance claims, etc. All of these have the potential to be automated, which is very exciting because it gives us an opportunity to enable a whole set of additional digital and health care services that are going to come in the future. One can already see this in lifestyle management applications, for example diabetes or chronic illness management apps, healthcare & mental management apps and other such long-term preventive care applications that presently do not have a distribution channel through doctors. We will have an opportunity to bridge this gap. Imagine a future where a patient just walks in and the doctor can, through a digital app, have access to the whole behaviour from past 6 months, instead of AB surgical care.

**Q.** Is it available across all the regions / geographies that Zuellig operates in, or is it on the roadmap? For instance, are there plans for localization, enabling multiple languages, and country-specific regulatory considerations, etc.?

**Krish:** It is all in the road map. As of now, we are starting with Malaysia and hopefully, we will scale up from there.

**Q.** Coming back to you Maarten, please share your views on the regulatory landscape in APAC region? Anything that you will like to highlight, which can either be an enabler or an impediment in the company's growth here? Or specifically, may have an implication for this partnership?

**Maarten:** It is hard to comment about the regulatory landscape in APAC region because every country is very different. Also, regulatory environment is complex and very different in all markets, but I think over time – although this can take decades – we assume and hope that there will be continued liberalisation. Further, I think that new technology and innovations, along with better digital access to data analytics, will actually help improve transparency and also the rate of regulation, over time.

**Q.** What prompted you to start this venture, Krish?

**Krish:** There was one particularly bad year in my life, when I broke my back in the army and was almost paralyzed. However, during that time, I experienced the high prevalence of medical negligence, to the extent of me almost losing trust in doctors. I then basically educated myself on my condition, to further realize that a lot of medical prognosis was being based on dated and inaccurate data or research. It therefore became obvious that the sector needed a data driven analytic solution, to empower both doctors and patients. This prompted me to start Klinify.

**Q.** Would you like to also briefly talk about the challenges faced and lessons learnt?

**Krish:** We learnt a lot of lessons, especially on the business front. The value of our offering comes from catering to a real business need in the healthcare industry. This is not just a tech play here, but an economic model that has to be considered

from the start. Full awareness – of a very different distribution model in Asia, is also required and has to be factored into the technology solution. Further, each market needs specific applications and adaption to the local business practices. This has been the biggest learning, by far.

**Q.** What is next?

**Krish:** Growing the company together. I think the vision aligns for both the companies and we are excited about this partnership. So far, it has been great and we are already exploring the potential of what else we can do and achieve together.

**Q.** Finally Maarten, anything else that you will like to share? What is the pipeline looking like, for Zuellig?

**Maarten:** There are a lot of things that we are exploring at any time; we are always in discussions with at least 10 to 15 new start-ups or companies floating new ideas. In Singapore, we will continue to make focused investments in companies that we think have a good fit with what we want to achieve. There is a lot of choice as well, and the challenge we face is in the selection process, and assessing if and how we can add value through a partnership. Although we are a large company, we do have limitations on the bandwidth we have in take on a number of initiatives. So, Zuellig is very selective on this front, but we will continue to make investments in great ideas, as we grow our portfolio of value-added services for our customers. All our Innovation efforts are housed in what we refer to as Zuellig Health Solutions, which is a combination of our investment portfolio in digital, data analytics, disease management program and commercial solutions. This is in collaboration with the Economic Development Board of Singapore; wherein Zuellig Pharma is investing in a number of capabilities and has made a commitment to spend at least 50 million dollars the next five years towards this. This is really an attempt by a big corporation, to segregate new innovation from the day-to-day functioning of a hundred-year-old pharma and distribution company.