



+1 (203) 409-5444
info@biosigtech.com

BioSig Technologies Conference Call December 21, 2021

Presenters

Andy Ballou - VP, Investor Relations

Ken Londoner - CEO, BioSig Technologies

Gray Fleming - Chief Commercial Officer, BioSig Technologies

Jim Walker - President, Access Strategy Partners, Inc.

Q&A Participants

Robert Carlson, Janney Montgomery Scott

Yale Jen, Laidlaw & Company

Steve Lepsky, Private Investor

Kevin Davy, Private Investor

Randy Bonito, JH Darbie

Seth Shaw, Tauriga Sciences

Operator

Greetings and welcome to the BioSig Technologies Conference Call. At this time, all participants are in a listen-only mode. A question and answer session will follow the formal presentation. You may submit questions via the Web at any time by using the "Ask a question" feature on the side of your screen. If anyone should require operator assistance during the conference, please press star-zero on your telephone keypad. Please note this conference is being recorded.

I will now turn the conference over to your host, Andy Ballou, Vice President, Investor Relations. Thank you, Andy. You may begin.

Andy Ballou

Thank you, operator. Good afternoon, everyone. Thank you all for joining us. On today's call, we'll be hearing from Ken Londoner, BioSig's founder, Chairman and CEO; Gray Fleming, BioSig's recently appointed Chief Commercial Officer; and Jim Walker, President of Access Strategy Partners.

Before we begin, I'll remind everyone that today's presentation may contain forward-looking statements, which may be preceded by the words intends, may, will, plans, expects, anticipate, projects, predicts, estimates, aims, believes, hopes, potential, or similar words. Forward-looking statements are not guarantees of future performance, are based on certain assumptions, and are subject to various known and unknown risks and uncertainties, many of which are beyond the company's control and cannot be predicted or quantified. And consequently, actual results may differ materially from those expressed or implied by such statements.

Such risks and uncertainties include without limitation risks and uncertainties associated with the geographic, social, and economic impact of COVID-19 on our ability to conduct our business and raise capital in the future when needed, our inability to manufacture our products and product candidates on a commercial scale on our own or in collaboration with third parties, difficulties in obtaining financing on commercially reasonable terms, changes in the size and nature of our competition, loss of one or more key executives or scientists, and difficulties in securing regulatory approval to market our products and product candidates.

More detailed information about the company and the risk factors that may affect the realization of forward-looking statements is set forth in the company's filings with the Securities and Exchange Commission, including the company's annual report on Form 10-K and its quarterly reports on Form 10-Q. Investors and security holders are urged to read these documents free of charge on the SEC's website, www.SEC.gov. The company assumes no obligation to publicly update or revise forward-looking statements as a result of new information, future events, or otherwise.

And with that, I'll now turn the call over to Ken Londoner.

Ken Londoner

Welcome, everybody, and thank you for joining us today. We have some exciting news that we announced earlier today. BioSig has signed an agreement to be working closely with ASPI, Access Strategy Partners, led by Jim Walker, who'll be speaking to you in a moment. Jim brings tremendous capability and talent to a very important area of our business, one that I'm and many of you are very interested in, which is our commercial plans and our commercial capabilities.

Looking back at 2021, we had a pretty active year. It looks like we're going to end the year being in 17 hospitals, approaching 1,800 procedures completed. We were able this year to get a very important clinical trial done and published in the Journal of Cardiac Electrophysiology, which many of you are aware of. We also hosted a webinar led by some of the industry leaders speaking about the results of our clinical trial, and the word gold standard was utilized on that webinar, basically suggesting that our technology platform could become the new standard of care in addition to the other technology and equipment that's used for cardiac ablation surgery.

In terms of our commercial picture, we have always looked at our launch in four phases. First phase was initial market release, which we put our first system in the market in November of 2019 at St. David's Medical Center. The definition, in our mind, of initial market release was to get a perspective on how our technology would do in a number of centers and get all the insights that we needed to learn how to improve our standing so we could expand to the next phase.

This year, we feel like we were in the beginnings of phase two, which is limited market release, which is a more commercially focused, you know, perspective where we're looking to not only place systems and have them evaluated but also look to collect to generate revenues. The Board of Directors had noted that our abilities and our capabilities needed to be enhanced. So, we went out in the middle of the year looking for a way to do that. And we're very delighted to announce today our partnership with Jim and his team, in addition to the fact that we have hired Gray Fleming as Chief Commercial Officer, and both of them are going to be speaking to you today about their plans for the company.

I also wanted to remind everybody that on September 28th of this year, we announced our relationship with Plexus. Plexus is a tier one manufacturer of medical devices globally. They're currently the lead manufacturer of medical device product for Medtronic, also for Ethicon, a division of Johnson & Johnson, as well as General Electric and many others. Transferring our production from Minnetronix to Plexus is not a simple task, but the transfer is going very well. We have been working on it daily to be able to reach full production, which we expect will be up and running by June of next year.

We currently have an inventory position of approximately 50 units plus or minus, so we have enough product to be able to serve the market while we're waiting for our first commercial production from Plexus. And with Jim and Gray and Plexus, we feel like the company has put ourselves in a great position on both supply and demand going into 2022.

As many of you know, in 2021 we added 19 clinical account managers to a number of three, which we ended last year at. So, this new commercial team has a nice base to work with and to build off of. We've also expanded our technology team and we've rolled out new software. We have a lot more software in the pipeline to enhance our offering and be responsive to the voice of the customer. What we've already heard and what we expect to hear, we want to be very responsive.

As many of you know, we've sold product to Mayo Clinic and to St. David's Medical Center, and we're currently working on a number of deals that are in the pipeline that we have to close in the near future. The company said in our last 10-Q on November 15th that it had at least a year's worth of capital in the bank. Given market conditions, I'm glad that we're in that position.

And the last thing I'll mention to you is that there is a lot of activity going on currently at NeuroClear, ViralClear, and you'll be looking to see visibility on our activity in the first quarter of 2022. We're looking forward to sharing some good news with you there in the not-too-distant future.

I'd like to turn the call over to Gray Fleming, who will make some prepared comments. Thank you.

Gray Fleming

Thanks, Jim. First of all, words cannot express how incredibly excited I am to be part of the team. I've said the word serendipitous quite a few times over the past month, and I mean it as it pertains to this opportunity and my career. We'll start with that, a little history first.

My experience at this point almost dates back 20 years to me starting as a clinical in the cardiac rhythm management space for St. Jude Medical, specifically 2002. I'm proud to say that since then I've had multiple experiences assuming leadership of either existing business units within St. Jude Medical and Abbott, or the commercial operations of new businesses within the medical device industry over the past 2.5, 3 years.

I'll rely on that experience to create what I would say is a definitive and tangible pathway to purchase. No product in the medical device space needs that more than capital equipment. Let me be clear. The definition of success for the entire BioSig commercial team is going to be simple; consistently and steadily expand the purchase footprint of the PURE EP product nationally and then globally.

Again, I could not be more excited to be leading the BioSig commercial effort as well as be working with Jim Walker and Access Strategy Partners. I look forward to answering any questions you have during the Q&A session at the conclusion of the call. Jim, I'll hand it over to you.

Jim Walker

Hi, I'm Jim Walker. I'm the president and cofounder of Access Strategy Partners. I've spent 35 years in the medical device business, half with Johnson & Johnson and the other half with Boston Scientific, where I was the senior vice president of corporate sales, responsible for building and executing their corporate sales capability in the U.S. and around the world. I was part of a team that grew the Boston Scientific business from \$80 million to \$8 billion, including the largest new product introduction in the history of medical devices, the Taxus drug-eluting stent.

In 2013, I created Access Strategy Partners to do the same thing we did at Boston Scientific, only this time for small startup and medical device companies. Our goal is to take on large multinationals who use financial leverage to prevent new companies and great technologies from getting to the market. We call it a David verse Goliath strategy.

Our company is three years old with 17 employees with strong backgrounds in medical devices, supply chain, and GPOs. These backgrounds are critical since, in today's marketplace, administrators can influence up to 60% of all product decisions. Our goal for all of our clients is to assure that their great technology can reach physicians who want to use it and patients who will benefit from it.

Two of our first eight clients have already achieved successful exits, CASMED and Misonix. With our assistance, CASMED was able to acquire the business at the Mayo Clinic. And with Misonix, in a period of six weeks we were able to sign agreements with HCA, Vizient, Kaiser, and other key buyers in the U.S., accelerating their business tremendously.

As we select new clients, it's important that they have both strong clinical and economic value propositions. With BioSig, we believe they deliver both. Their technology can become standard of care globally, and we see that they have world-renowned EP support. We're excited about the fact that they can improve the ablation success rates that exist in the marketplace today and that they can do so in a cost-effective way. We're also excited to work with Ken, Gray, and the impressive team that we've gotten to meet at BioSig.

Success today requires clinical and economic value. Leading edge technology combined with strong economic value are the requirements customers demand. We at ASPI, in combination with the great BioSig team, bring the knowledge and relationships required today to accelerate our mutual success.

We'll now turn it over to the operator for Q&A.

Operator

At this time, we will be conducting a question and answer session. If you would like to ask a question, please press star-one on your telephone keypad. A confirmation tone will indicate that your line is in the question queue. You may press star-two if you would like to remove your question from the queue. For participants using speaker equipment, it may be necessary to pick up your handset before pressing the star key. As a reminder, you may submit questions via the Web by using the "Ask a question" feature on the side of your screen. One moment, please, while we poll for questions.

Thank you. Our first question comes from Yale Jen with Laidlaw & Company. Please proceed with your question. Yale, is your line on mute?

Andy Ballou

Paul, why don't we go ahead and circle back to Yale?

Operator

Thank you. Our next question will come from Robert Carlson with Janney. Please proceed with your question.

Robert Carlton

Hi, guys, and thanks for the--taking the call. I wonder if you could talk a little about how you're handling the COVID situation, what effect that's having with operating rooms and what problems that's causing you with the introduction of the PURE EP.

Ken Londoner

Maybe I'll start and then I'll pass it along to anyone else who wants to answer. Bob, thanks for the question. Last week I was out in the field with Gray. We were in Houston, Texas and we were also in Jacksonville, Florida, and I did not see any impact to their operations or hear of any impact in terms of patient cases or patient loads. I think the field has gotten used to dealing in this type of environment. And from what I--we can assess, the activity continues.

Now, this new omicron variant, I guess we're all--everybody on this call are wondering what impact it's going to have. But it appears that it--because of the vaccination rates and the nature of the variant, people are not getting as hospitalized. So, hospitalization rates have yet to really reflect that, so that's one perspective.

The other perspective from a hospital purchasing and a hospital activity standpoint, maybe I can throw it over to Jim Walker for a comment.

Jim Walker

Sure. Thank you, Ken. The hospitals at this point have become pretty effective at managing their way from a supply chain point of view through the COVID crisis. A number of them are remote. A few are face-to-face, but a number of them are remote. And their capital and value analysis committees generally don't allow manufacturers, despite your size, no matter who you are, to meet with those committees face-to-face.

But one of the things we've done is we've created tools that we think are very effective. We actually developed the tools in collaboration with some key accounts so that we can be very effective with these value analysis and capital equipment folks. So, Gray seems to be able to still get great access into the labs. We'll be working collaboratively with him to make sure, as he's working with the labs, we're also working with supply chain administration and with the value analysis committees to make sure, you know, we're continuing to move towards purchase as fast as we possibly can.

Robert Carlton

Do you think there's a reluctance of patients having procedures done at this time?

Gray Fleming

This is Gray. I'll take that. I think as you--it's a great question because it reflects some of the struggles from about a year and a half ago where you saw elective procedures take a dip due to either public perception or reality from a hospital perspective.

That being said, I think, you know, the vaccine, particularly in the demographic that is typically seen in ablation where the vaccine is prevalent, is something that we can sustain a high level of confidence that the elective procedures, which are obviously of major value to the hospitals, won't see those dip again. Certainly not a promise. I can't promise that, but I

can see how we got here, how we got out of it, and I have a great confidence that the elective procedure volume, at least in this space, will hold steady.

Robert Carlton

Yeah.

Jim Walker

And this is Jim. I would say in any situation--I'll use the one I'm in right now. I'm calling in from Boston. So, in Boston, the governor last week asked people to reduce procedures. You may have seen that a number of employees at Brigham and Women's complained in the Boston Globe that they weren't cutting back procedures enough. This morning, the governor came out and asked them to again reduce procedures at least to avoid unexpected overnight stays, because as we all know with COVID, everybody's worried about the capacities in all these hospitals.

So, it's incumbent upon us to become very easy to work with, and we're--we have created tools, and we're doing this with BioSig right now, to make sure that we're very streamlined and very easy to work with, whether it's supply chain or anybody else who might be involved in the product decision.

Robert Carlton

Is there any reluctance from the hospitals meeting with your sales reps?

Jim Walker

I'll take that answer. I think doesn't matter what company, whether it's my old company, Boston Scientific or Johnson & Johnson or any other company, meeting time is at a premium going forward at least for the next two to three months. I think that's the reality of it.

Fortunately, in the case of my company, I would say our average person has 25 years experience. We have very deep relationships. You know, I had a chance to negotiate literally every major contract that Boston Scientific had. I was the person who started corporate sales in 1994 at Boston Scientific. And so, they're--unless they've retired, pretty much I know most of the people doing these things. And fortunately, those relationships have been helpful.

So, you know, we will have access, but at the same time, we're going to be respectful of everybody's time and everything they have on their plate. And I think by doing that, you know, we'll be treated favorably.

Robert Carlton

Um-hmm.

Andy Ballou

Operator, let's go to the next question. Thanks, Bob.

Operator

Thank you. Our next question comes from Yale Jen with Laidlaw & Company. Please proceed with your question.

Yale Jen

Good afternoon and thanks for taking the question. I apologize. I was on mute earlier. First, congrats, Jim, that you get this relationship. And my first question to you is that I know you just starting the working, but what was your thinking--what was your initial thought about what you can offer to BioSig even at its early days in terms--from both strategic and other aspects?

Jim Walker

Yeah. I would say--the first thing I'd say is we can offer them access and a seat at the table. In this environment, getting a seat at the table is very difficult. If a company today was bringing in people that didn't have relationships and was--were fairly new to the business, I'm not sure they'd even get an appointment. So, you know, the first thing we do is we'll ensure--make sure that we have a seat at the table at every major IDN and every GPO in the U.S.

You know, for example, Vizient, which is a largest GPO in America, the person who built their purchasing program is a gentleman by the name of Dan Sweeney. He took early retirement and actually now works for my company, Access Strategy Partners. So, we have that level of relationship. The head of our consulting practice, John Strong, was the founder of the Consorta Purchasing Group that was acquired by HPG and HCA. Prior to that, he was the president of Premier.

So, our relationships go deep. They're--they have been sustained for long times. I have--the team that I've brought in here to Access Strategy Partners has successfully negotiated contracts. We have already had two exits from our clients by driving really nice top line growth. Without getting into my other clients, we've got others today where we're doing the same thing. So, I think we've proven that we can get our clients to the table with the right people. And if the technology performs, which we believe the PURE EP system will definitely perform, then we think we're going to be hugely successful.

Yale Jen

Okay, great. That's very helpful. I really appreciate the highlights of the relationship. And then maybe just one more question here, which is that in terms of any other strategic suggestion or thoughts to BioSig, even at this early stage, do you have any you can think of? And I appreciate the comments.

Jim Walker

Yeah, absolutely. You know, we're working diligently right now to make sure we segment the market so that Gray and I go after the biggest and best opportunities as fast as we can. You know, a good example would be a--an IDN like CommonSpirit, that has around 214 hospitals and they have 87 EP labs. I'm thinking Ken would want Gray and I to be going after CommonSpirit, where we have an excellent relationship, by the way, and take a look at that 80--those 87 EP labs and see where we might be able to bring in the PURE EP system to support their efforts.

And we'll do that for--you know, that's one idea but, you know, we've got that data. We've purchased the databases. We know these customers. You know, we'll have similar type of data for the top 70 IDNs in the U.S.

Yale Jen

Okay, great. Thanks a lot.

Jim Walker

Thank you.

Yale Jen

I really appreciate it, and congrats.

Andy Ballou

Thank you.

Operator

Thank you. Our next question is from Steve Lepsky with--private investor. Please proceed with your question.

Steve Lepsky

Hi, two questions real quick. One is I've been with the company quite a long time. Obviously, it's been frustrating for a lot of people as far as the lack of sales. Lots of placements, great product, and a lot of positive accolades from some of the top EP docs in the country. What kind of timeframe do you see? Having been in the business a while, obviously you're, you know, just starting, but what kind of timeframe would you put on seeing a turnaround in your strategic approach to be able to have the sales and the different markets that you're mentioning? That would be question number one.

Question two is northeastern Ohio is where I'm at, and they've just stopped most elective procedures again due to overnight stays, like we had mentioned earlier from the previous caller.

Jim Walker

Yeah.

Steve Lepsky

Are--what percentage of the procedures require an overnight stay versus same day? And then follow-up.

Gray Fleming

Yeah, Jim, I'll take that one.

Jim Walker

Okay.

Gray Fleming

And thanks for the question, Steve. This is Gray Fleming. For the first question--actually, I'll answer the second one first and then the first one last. You know, the elective procedures that required overnight stays, when you think about the percentage, part of it has to do with anesthesia. And so, not to get in the weeds here, but PURE EP, the majority of the value is seen in a complex ablation, which does require anesthesia. That doesn't mean the patient can't go home. It just means that the procedure needs to be done in the morning so that there is an appropriate amount of time to monitor the patient. So, I think the context is appropriate for sure, but I also don't feel like it's a concern per se.

And then as far as the first question, you know, for me, it's really more about sales territories and not about how fast the turnaround. It's my intention to put every effort I've got toward standing up additional sales territories to what we have, assigning a sales quota to those territories, and then being hyper accountable to those quotas.

Steve Lepsky

Yeah.

Jim Walker

Steve, this is Jim. I would also say that I think the next--listen, the next four to eight weeks are going to be tough with COVID. I actually think that plays to our benefit. You know, we've developed and we're in the process of developing more marketing tools that we would like to use with supply chain, the finance, and the executive teams at these health systems, many of whom probably don't even know BioSig yet. So, if in the next four to eight weeks we--my team can use that time to introduce BioSig, educate customers on why it's an important technology for their--them to have, I think that plays in our favor actually. I don't think it hurts us.

You know, I think, whether our path--pathway to purchase is 100 days or 90 days, you pick a number, I think the next 30 to 45 days just in terms of ASPI is us introducing this great

technology to every major IDN in the United States and every GPO as well, and that's what we intend to do. So, I think that's--this is actually a good time for us, what's happening.

Steve Lepsky

Thank you.

Andy Ballou

Paul, I'll take one from--or one or two from the webcast while we queue more on the phone line. Gray, from the webcast, you mentioned the pathway to purchase. Well, what does that look like from beginning to end?

Gray Fleming

Yeah. Sure, Andy. Thanks. You know, pathway to purchase in the med device world is a super common term, and it's one I mentioned in the recorded statements just to say, really in capital equipment, there's not a more important area where pathway to purchase applies. And so, here's what I'd say.

A sales territory, again, being hyper accountable to a quota creates the interest. And we'd like to see less evals necessary for purchase. But in this case, let's just say we have an eval. That needs to be a very well-defined process, both tactically and practically for that hospital, so meaning what are the right cases we'd like to see done, what's the frequency of the physician uses we'd like to see, and then moving towards a point of purchase, where I think Jim's team is most helpful. I would refer to them as a gale force tailwind moving through that process and moving through what hopefully is the value analysis committees and up to point of purchase.

But that's not it. Adoption will be as important for the footprint to expand as is the point of purchase. And so, my team is going to be very intentional about what adoption looks like so that then we can move through the process and everyone understands what the definition of success is for having a PURE EP onsite.

And so, I would just say the pathway to purchase has to have a very definitive evaluation and/or sales and value prop delivered, and then as intentional of an on-boarding of the system. I could go deeper, but for there I'll leave it at that point.

Andy Ballou

Okay, great. I guess following up on the heels of that, is it really Gray's job to write the strategy to purchase and Jim's job to speed up that process? Is that a fair representation? A question from the webcast.

Gray Fleming

Sure, and I'll--Jim, I'll go first. If you want to add on--.

Jim Walker

--Yeah. Yeah--.

Gray Fleming

--Certainly do. You know, I would say that as the chief commercial officer, I am 1000% accountable to the strategy, both authoring, implementation, and execution. Jim, as I just mentioned, most definitely is a gale force tailwind to that strategy. But I will be the one to author, implement, and hire the team to execute. Jim's team speeds up execution for certain and, again, pathway to purchase.

But as we sit now, we stand to walk into 2022 with a new strategy that I would say is commensurate to a different phase in the company for--you know, the phase that was before my arrival, the job was well done. We got to a certain point. I like to say, you know, if the plane got off the ground and got to 10,000 feet, it's my job to get it at a cruising altitude more like 37,000 feet, and that's what we plan to do.

Jim Walker

And I would add to Gray's comments that, you know, we're going to work hand in glove. So, when he's working the clinical side, we're going to be working the administrative side at the same time. As you might imagine, nobody in supply chain or finance wants to be surprised and all of a sudden realize they have a six figure purchase in front of them that they have no information about. So, our job is to make sure every step of the way they have that information so there's no surprises.

And when the physician is done trying the product and says, geez, I'd really like to acquire this, I'd like to have it in my lab, we want that process to be smooth from there. We don't want to be starting the conversation at that point. We want to be finishing the conversation at that point. So, when Gray starts to move into a health system, you know, we'll be moving in at the same time with him.

Andy Ballou

Great. Thank you. And a follow-up to that, Jim, does Access Strategy have broad coverage of clients across all regions of the United States?

Jim Walker

We do. We--you know, we don't cover every single hospital in America because, you know, we've made a decision to go after most of the IDNs and the major health systems who we think drive 90% of the volume in America.

So, we're--but would you see us at, you know, Mass General, Brigham and Ascension and Northwell and Sutter and Trinity and all the major health systems? I think if you named one of them, you'd find that we were there. We'll also be there with all the major group purchasing organizations.

And there are also regional alliances. For example, Mayo Clinic leads the Captis alliance. And that's going to have, you know, 200 plus hospitals as part of it, and they can be a gateway to those purchases. And by getting those relationships in place, we streamline and speed up the purchase process for other members of that organization. So, we'll be on top of all of those things to make sure that we're increasing the speed to purchase.

Andy Ballou

Great. Thanks very much.

Jim Walker

You're welcome.

Operator

As a reminder, if you would like to ask a question over the phone, please press star-one on your telephone keypad. A confirmation tone will indicate that your line is in the question queue.

Thank you. Our next question comes from Kevin Davy (ph), private investor. Please proceed with your question.

Kevin Davy

Hi there, Jim. Welcome to the--.

Kevin Davy

--BioSig family, and look forward to seeing what you can do.

Jim Walker

Thanks, Kevin.

Kevin Davy

A question comes to mind. It seems like you've got decades worth of strategy experience and pricing. I'm wondering if you have any initial thoughts on the pricing strategy and if there is anything that you would like to do with that.

Jim Walker

We certainly--thanks, Kevin. Great question. We certainly have an opinion on it. Gray and I are, you know, discussing exactly the best way to move ahead on the pricing strategy. What we want to do is we want to make it easy for customers to acquire the product, and there are a number of ways we can do that, whether it's purchase or lease or what have you. We have a number of existing relationships with companies who can assist us in some of those endeavors. And obviously, we will make those available to BioSig as well. In fact, we already have.

Beyond that, since there could be competitors on the line, Kevin, I'm not--whether it's BioSig or any of my other clients, I'm generally not inclined to share our pricing strategy publicly.

Kevin Davy

Okay. Thank you.

Jim Walker

Thank you.

Andy Ballou

Let's take one--Paul, I'll take one from the what--webcast here. Jim or Gray, you know, what do you think is the PURE EP potential for 2022 to 2023? Again, not providing any specifics, but maybe a feel.

Gray Fleming

Sure. I'll take this one, Jim.

Jim Walker

Yeah.

Gray Fleming

I--you know, I think--and I've had this question. I've had the pleasure of already spending time with the Board, and it's a popular question so I appreciate the intent. I'll go back to this piece right here. Whatever the--whatever potential is that exists, it doesn't happen without sales territories. And I would say that I have proposed to the Board and Ken and et al. that we'll have numerous aggressive sales territories up and running in addition to what we have now. We'll have aggressive sales quotas attached to those territories and we'll be hyper accountable to those quotas.

So, I apologize if I'm being a little bit ambiguous. But without the sales territories, it's sort of a moot point to me. I gotta get those stood up in a hurry.

Jim Walker

Yeah. The only comment I would make, Kevin, to--I'm sorry, it was not Kevin. Is that Steve this time?

Ken Londoner

Andy.

Jim Walker

Andy? Oh, I'm sorry. Yeah.

Andy Ballou

Yeah, from the webcast. It was from the webcast, yeah.

Jim Walker

Yeah. I'm very pleased with some of the people who Gray and I are bringing it to BioSig and who are interested in joining us in this endeavor. We obviously have lots of relationships, we've been doing this for a long time, and we're not having much trouble getting people to share our excitement and our vision for what this can be. So, you know, we can't do it alone. We need to have other players come join us, A players, people that know how to get it done. And I think you'll be pleased that we're able to bring those types of people to BioSig.

Andy Ballou

Thank you. Paul, we can go back to the--to dial-in.

Operator

Thank you. Our next question is from Ryan Harper with Victoria Capital Management. Please proceed with your question.

Ryan Harper

Hey, great call. Congratulations on the new deal. I have a basic question, kind of simple, but I kind of look at growth as the job board. So, how many jobs are you looking to fill right now, and how do you see that going forward?

Jim Walker

Probably that's a BioSig question, but I can tell you from the--.

Ken Londoner

--Jim, yeah--.

Jim Walker

--Actual strategy--.

Ken Londoner

--Jim, yeah, I--.

Jim Walker

--Go ahead.

Ken Londoner

So, what's going on right now--.

Jim Walker

--Okay--.

Ken Londoner

--Ryan, Gray has been with the company now I think two weeks. We were talking to him prior, so he has a good understanding, and we went out into the field to get a look at the land. By the end of the year, he'll have the sketches of a plan. And the Board of Directors will be looking at that plan early in the New Year and then we'll be in a better position to talk about exactly how many people.

Gray speaks about standing up additional territories, so we're currently, as you know, in Florida. We're in Texas and we are in the Northeast from a commercial standpoint. And Gray has expertise in those markets as well as the Midwest. So, you're going to see expansion. And then, of course, Jim brings a whole nother dynamic to the table. But I think you'll see a more clear picture and an answer from us probably going into February, and we'll be executing against a plan that the board approves.

Ryan Harper

Thank you.

Ken Londoner

You're welcome. One other thing I want to say, and I think some of you on this call have some form of expectation, Gray, myself, and Jim to some extent are working on the existing places where we have systems.

As many of you know, we're in approximately 17 centers, and there have been evaluations out there for a period of time. And you're going to see those centers do one of two things, either take ownership of the system or give the system back to us for making it available to somebody else who has the intention of paying for the system. So, that process will be ongoing here in the near-term. And you can be looking for, you know, basically that to play itself out. And that'll help us get through the first into the second quarter. When we receive our next commercial shipment of inventory, that will fuel, you know, Gray's expansion from a inventory perspective.

Gray Fleming

And then, Ken, I'd also add this, because, Ryan, it's a great question. I think it brings up an interesting point. And you look at the sort of phase two or whatever phase you want to call it, sort of getting to cruising altitude with an extended footprint, and it also goes back to the question of, like, resistance getting in the hospital, resistance to supply chain. I would say it's never been a more important time as we look to fill jobs and as we look to manage COVID or manage any resistance to have the utmost amount of relevance in the field.

Now, I'm not over here beating my own drum of relevance. I'm just saying, on one side of the commercial component, you have me with 20 years in the EP space, and I've done literally hundreds of procedures with many of the authors of the clinical evidence. And that network

expands out greatly having managed the majority of the central time zone and worked in this space in the United States for many years in senior management.

And then you've got Jim with, you know, like, 40 years of experience in supply chain. Jim, don't smirk. But between those two components, it's a lot easier to get access that if you're a brand-new or if you've--sort of homogenous to the industry, which is unfortunately a problem because you grow up in the business in either space, and you spend a lot of your time wherever you were brought up.

I'll just quickly offer in my case, there are few people--I grew up in one spot. I was a regional director in a different spot. I did the job twice, once in Tulsa, Oklahoma covering the Midwest, once in Houston, Texas, a huge geography, and then moving all the way up to the headquarters for St. Jude in Minneapolis covering much of the United States. So, my point there is a lot of the either job fillings, my phone's ringing off the hook, or the network Jim has, to be able to have trust in the game and expedite some of that, is super helpful.

Ryan Harper

Great. Thanks.

Gray Fleming

I think we have Randy as the next question.

Operator

Thank you. Our next question comes from Randy Bonito with JH Darbie. Please proceed with your question.

Randy Bonito

Hey, guys, congrats. It's good to see the new team. I've been a lot of these calls for years. Going forward, are we going to set some timeframe or expectations as far as sales go? I know we brought in a new sales team last year, did some hiring. Are some of those guys still on board? Is there going to be a transition with Gray's new presence, which we're happy to have, and how is that going to go forward as far as you guys rearranging the process in how your sales get to the table and so forth? Thank you.

Ken Londoner

Gray, maybe you take the procedural element and I can talk about the prospect of guidance.

Gray Fleming

Sure. I just want to make sure, Randy, I'm following--you know, the question was going forward, we're going to set timeframe or expectations, and then the team that's currently on board, will there be a transition. Is that correct?

Randy Bonito

Yes. Yes. I know last year they hired a new team. And we've seen now that--.

Gray Fleming

--Sure--.

Randy Bonito

--You're here, is some of that old team going to be here? Is it going to be a new expense added on, bringing in new people, because--?

Gray Fleming

--Sure--.

Randy Bonito

--There will be some new sales channels in focus under your guidance, which should deliver the proper results.

Gray Fleming

No, exactly. Thanks for the clarification. Just wanted to make sure I was answering the right question here. I would say first in that phase one area, I really like what BioSig did. You see a lot of businesses that get excited and, you know, like I told Ken, sort of build a mansion before they actually have the need for one.

And so, what I mean by that, it's no secret to the call. If you're in the med device market, Florida and Texas are great places to start, so I really like what in that phase one Ken and the leadership team did of being hyper intentional, putting people in those places. And so, we absolutely need those people in those places, and there is not a suggestion of sort "ghosting" or hitting reset on those markets. We'll have BioSig representation there and continue to reinvest there.

As we look to build out those markets from the Texas and Florida and really Northeast corridor, you can--may have already seen some specific information as far as public releases go about investment in the Midwest, specifically Kansas City. So, there's activity there. But, again, I think the--really the breadth of the clinical evidence and the, like, amazing credibility of the physicians that worked on it between Mayo and Austin and Jacksonville, Florida, etc., allow us the opportunity to be very prescriptive where we go next.

And I'll just say this to the call. Having a lot of experience in the business, you might be surprised where the next best place to go is. Yes, it's great to have Jim Walker on board and have access to some of those massive supply chains. But I also understand that there's a certain amount of, I'll use the word excitement, for us to grow the footprint, I might even say impatience.

And so, we'll go with a combination of interest as well as that pathway to purchase being acknowledged and where we're partnering with hospital and physician to expedite that pathway to purchase. And so, that's a bit of a longer answer to the question, but I think, as you look at how that architectural framework builds itself out, I'm excited to say I've got experience in this process and I'm excited to say that, you know, my plan is very aggressive, as it should be, and I look to being accountable to the information that we put forward.

Ken--.

Ken Londoner

--Randy, I'll--yeah, let--.

Gray Fleming

--I'll pass it on to you for the last part of that.

Ken Londoner

Yeah, let me answer part of Randy's question. So, we don't anticipate a significant increase in headcount. Gray is going to work within the confines of the existing team. He may add around the edges in markets where we can get relatively quick results and show both the investors and customers our ability to execute, and then we'll grow from there. We think that, you know, we'll see some results from Gray and Jim's arrival, and then we'll build intelligently, as we always have.

If you're expecting to see us double the size of the company by doubling the headcount and doubling the overhead, you're going to see--you're not going to see that. You're going to see it be--being done in the spirit of how we've always done it. And if we get hit with more demand than we expect, Jim Walker has a considerable team of experts that we can lean on, that he can help us get up and running without those people being on our overhead. So, it's a--we're going to take a unique hybrid approach, which we think'll be very effective. It has been for many of Jim's other clients.

Randy Bonito

Thanks, Ken, for your time.

Ken Londoner

Operator, next question?

Andy Ballou

Yeah, we're going to take one. I'll take one here from the webcast. Jim and Gray, would like your thoughts and opinion on having sufficient qualitative and quantitative data to enable sales. So, I guess that's referring to the clinical data that we've produced and also the procedural data that we're capturing through those, you know, 1,800 procedures year to date.

Gray Fleming

I'll take this one as it's down my Main Street, if you will. I think the data is fantastic. The fact that, you know, a lot of times you show up with a novel product and the first question is how many cases or how many patients have you enrolled, and I've actually, you know, been on the end of walking in with a fairly low number, and that doesn't fly.

And so, the fact that we have, from a quantitative standpoint, a very high number is great. And from a qualitative standpoint, I think we're right where we need to be referencing back to that 10,000 foot and climbing altitude. As we get to that higher altitude, we need to get into some more sophisticated data. And I don't want to share that with the entire group at this point, forward-looking or otherwise. But I can say there is some sophisticated data on the horizon that I think will be extremely impactful.

There's also been--just in my experience in the business, having been here a very short period of time, we've made some suggestions about how to make--add a layer of tangibility to what we do too, which I think will be super helpful. And listen, the box is sophisticated by itself, so it's just a matter of getting out of it what we want, which I think is there.

So, I love the question. I'm sorry I can't be more specific, but I'll just say this. I wouldn't be here if I didn't think that it was there either existing today or there for the taking/publication in the future. And that's how we take credit for our work. I've talked a lot to Ken and team about it. And having come from the CRM and EP business for very long time, and even been in a little bit of med device retail, I can promise you I understand about taking credit for our work. And we'll do that via, you know, the clinical evidence that we have created, the clinical evidence that we'll continue to create as we expand our partnerships, and moving forward. That's a great question.

Operator

Thank you. Our next question is from Yale Jen with Laidlaw & Company. Please proceed with your question.

Yale Jen

My follow-up question is basically we understood that--let's just assume that near-term COVID situation probably not to consider. What has been the experience you guys get from the client or from either physician or administrator, the major pushback for the product? Even we thought the product is quite outstanding, but was there any pushback there? And if so, what's the strategy you can think of at this moment? And thanks.

Gray Fleming

I'll take that one too. You know, the pushback thus far has really been more sort of where is the technology going? And I'm resolute on this. I'll tell all of you on the call. The first line goal is to create relevance and credibility with PURE EP. And we have manufacturers calling us.

We have mapping companies asking questions. But our intention is to create a very relevant and credible footprint of PURE EP in the market, cleaning and taking the raw initial signal and giving it back to the physician so that they can do what they will from an interventional standpoint.

And that's--you know, I'm not here to point out inadequacies in each mapping system. I'm just here to say that the signal is the most important thing in every case. If it weren't for the signal, we probably wouldn't be here. You know, much of the industry wouldn't. And so, I am extremely convicted to deliver the value prop of a process signal that improves the physician's information as they make intervention to a heart. And that's a very nice way of saying burning it in the majority of cases.

And so, that's what we're here to do first and foremost. After that, you know, where it goes we'll see. But that's my, I would say, passionate answer towards a good question, yeah. But first line--.

Yale Jen

--Thanks a lot. Okay.

Gray Fleming

--There's not too much there.

Jim Walker

Yeah. And Gray, if I can just chime in just remind everybody that hospital administrators and supply chain executives are looking to support their physicians and surgeons. They're not looking to give them a difficult time. This is a good week to think about all the supply chain executives will be going to holiday parties. They're not talking about how much they saved. They're telling their friends about the great technology their hospitals have and what great things they're doing for patients.

So, at the end of the day, it's incumbent upon Gray and me to make sure that we do two things really well. We need to articulate the clinical and economic value propositions that we're bringing to these health systems. If we do that well and the equipment--PURE EP performs as we know it can and will, we're going to be very, very successful. That's the job in front of us, and that's the job we intend to do.

Yale Jen

Okay, great. Thanks a lot. I really appreciate the insight.

Jim Walker

Um-hmm.

Operator

Thank you. Our next question comes from Seth Shaw with Tauriga Sciences. Please proceed with your question. Seth, do you have your line on mute?

Seth Shaw

I'm sorry. I was on mute. I'm really sorry, guys. I have one question that I'm asking on behalf of a fund manager that could not be on the call. And it's--the question is about second-generation product like, for an example, his question he asked me to ask was--obviously what's been done so far is exceptional. The company has created really a technology that can save lives over the past 13 years and now it's hitting the market. The question that that fund manager had was is there anything right now on the drawing board that could be like a next-generation or an improved second-generation product one, two, three, four years down the road? That's the question that I was asked to ask today. Thank you, and I think you guys are doing a great job.

Ken Londoner

Thanks, Seth. I'll address that. So, we have an engineering team, as you know, in Los Angeles, and we're working on hardware improvements as well as software and data products. And release dates and what have you or defining it specifically we wouldn't do at this point in time for competitive reasons.

But, you know, this team has been working on advances because, like every technology that we have in our lives, you can start in one place but it has to continue to evolve. And if you're not prepared to do that with your own team, then you really have no business being a independent company. So, we do have a pipeline. At some point, we'd love to show the investors that pipeline when the time is right. Right now, we're focused on getting this team up and running, starting to deliver more commercial traction, and then the new product development will be more clear.

Seth Shaw

To me it sounds good.

Ken Londoner

Operator, one more question and then we've got to go unless--that person just dropped off, it looks like.

Operator

There are currently--.

Andy Ballou

--I don't--.



+1 (203) 409-5444
info@biosigtech.com

Operator

--No more phone questions.

Andy Ballou

Yeah, I don't--.

Operator

--If there are any webcast questions?

Andy Ballou

Nope, I don't have any more webcast questions.

Operator

If there are no more questions, I would like to just turn the call back over to management for any closing remarks.

Ken Londoner

We want to thank everybody for their time today, and we look forward to following up with you in the future.

Operator

This concludes today's conference. You may disconnect your lines at this time. Thank you for your participation.