

Medical Device Maker Looks Beyond Hospitals

By Becky Bergman
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When Glenn Laub and Gintaras Vaisnys decided to launch Defibtech a decade ago, it could have been a terrible time to start manufacturing and selling automated external defibrillators.

Large makers such as Philips Medical Systems, Medtronic Inc. and Cardiac Science dominated the health care industry, making it tough for the start-up to find customers in the hospital and ambulance market.

Rather than seeing an obstacle, they saw an opportunity.

Laub, a cardiothoracic surgeon and director of the Heart Hospital at St. Francis Medical Center in New Jersey, dreamed of creating a lightweight device that could turn any ordinary bystander into a lifesaver.

"When sudden cardiac arrest occurs in public places, bystanders are often hesitant to perform CPR and defibrillation and there is often a lag time before trained professionals can arrive and assist at the scene," says Laub. "We wanted to make an AED that was simple for anyone to use."

Instead of vying for medical customers in the saturated health care field, Laub and Vaisnys, co-founder and fellow Yale graduate, developed a device that put Defibtech ahead of the competition — literally — by saving lives faster, easier and cheaper.

An estimated 400,000 people die from sudden cardiac arrest each year in the U.S., according to the American Heart Association.

The only cure for most cases of sudden cardiac arrest is immediate shock therapy from an automated external defibrillator, which jump-starts the heart back to normal rhythm. For every one minute that passes without intervention, the survival rate of a cardiac arrest victim decreases by seven to 10 percent.

"It takes an average of 12 minutes for an ambulance to respond to a call," says Laub. "Every second counts and having an AED available before the professionals arrive can mean the difference between life and death."

Laub and Vaisnys, an engineer who founded several technology companies, formed Defibtech in 1999 using seed money from private investors. Today, the company employs 60 people at its Guilford headquarters.

Executives spent the first three years trying to develop and launch the company's Lifeline AED.

From the get-go, Defibtech targeted non-traditional markets the big AED makers overlooked — hotels, restaurants, schools, airlines and gyms — and priced its bright yellow and black hand-held units for around \$1,400 compared to \$3,500 for the competition.

More than 100,000 defibrillators have been distributed worldwide and are operating in 40 countries in 16 languages.

Laub says his invention overcomes two major hurdles: price and access.

Defibtech recently introduced a new device it claims again will revolutionize



PHOTO/LISA WILDER

Defibtech co-founders Glenn Laub, left, and Gintaras Vaisnys believe their new generation of automated external defibrillators with video instructions will again shake up the market.

the AED market by easing operator fears. The ReviveR View is the first AED that comes with a full-color, interactive built-in screen that displays videos on how to perform CPR, rescue breathing and shock treatments.

Sales have surged and as the AED manufacturer races to keep up with demand, the challenges facing Defibtech are familiar to any small business owner: retaining a strong workforce and introducing quality products in a saturated market during an economic downturn.

Defibtech declined to give out financials but the company expects to increase its revenues by at least 10 percent next year.

The demand for defibrillators shows no sign of a slowdown. The \$5.3 billion AED market will soar to more than \$16 billion by 2015, according to a Global Industry Analysts report.

Success stories are numerous but one of Laub's favorite involves a South Carolina YMCA member who collapsed from sudden cardiac arrest during a workout in 2002. A bystander successfully utilized the gym's days-old AED to save the man's life.

"We heard from the YMCA that the member who used the AED that day had never seen one before and had no idea how to use it," says Laub.

"The YMCA had just purchased the Lifeline AED a few weeks before that incident," he says. "It was the first time they could afford to buy a defibrillator because up to that point, the devices were extremely expensive to own."

Without Defibtech's AED, the YMCA member likely would have died, says Laub.

The company's designs make the AEDs easy to spot in public places. The front face includes an audible component that gives users detailed, verbal instructions on how to administer lifesaving defibrillation.