Radiologist’s Guide to Entrepreneurship

By Liza Haar [3]

CHICAGO—Advice from experts at RSNA 2015 on what radiologists need to know about entrepreneurship.

“I’m interested in conflict, that sort of describes my personality,” Steve H. Parker, MD, of Englewood, CO, told the crowd at an entrepreneurship session at RSNA 2015.

It was his interest in conflict, or rather resolving conflict, that drove Parker’s entrepreneurial spirit. He has been the cofounder of several successful medical device companies. The desire to resolve conflict is the first step in becoming an entrepreneur, he said.

“You have to identify a clinical problem, you shouldn’t just try to come up with a gadget,” Parker said. Find an important need that is unmet with current techniques and technology. In Parker’s experience, the current approach to the problem is usually decades old.
Radiologists don’t need to stay in the radiology box, though. Parker urged radiologists to look to clinical problems in other specialties as well.
“We know the whole breadth of medicine...there are opportunities everywhere,” he said.
The clinical problem should evolve from the technology. Ideas often fail when entrepreneurs take a technology and find a new application for it, Parker said.
It’s also important to identify if the idea is evolutionary or revolutionary. Revolutionary is disruptive and will add change to how health care is delivered. Evolutionary is an update to an existing technology.

Parker explained it as looking at the horse and buggy, the first “SUV”, then came along his Ford Bronco, which was a revolutionary advance over the horse and buggy. Parker’s current 2012 Ford Expedition, however, is an evolutionary advance.
“If it’s an evolutionary idea, you really don’t want to spend a whole lot of time and money with that sort of approach,” he said. “The value of [evolutionary ideas], both for society and in the financial sense, is going to be a lot less than a revolutionary idea.”
Parker noted that revolutionary ideas require more money and time in the sense of a startup company, but its benefits for society are significant.
“If you can find a solution to a clinical problem that’s faster, better, cheaper, and less invasive, then you’ve almost certainly got a winner,” Parker said. “Patients like faster, better, and less invasive, and insurance companies and the government like cheap...you’ve got to satisfy all ends of the spectrum.”
Progression of the idea requires a lab where it’s essential to test the solution on materials, animals, and/or humans, before it can be made into a prototype, he said.

Teamwork
While it’s likely that an individual physician identified the problem statement, it is important to remember that entrepreneurship is a team effort. Working with that physician should be medical device or mechanical engineers, someone with startup and fundraising experience, someone that
works with patents, and someone that knows and can analyze the market, Parker said. One individual might satisfy more than one of these attributes, but it's important that all of these factors are addressed.

All members of the team should be cofounders as well, there shouldn’t be a single founder of the company, Parker said. Everyone should get an equal share when you start out, and that means everyone should be putting money into the company as well, he said. Sweat equity is not enough, Parker said. “You’ve got to be emotionally and intellectually but also financially involved.”

**Advice**

Parker also offered advice for physicians interested in entrepreneurship.

- **Keep quiet.** Don’t talk about your idea or even the problem statement before your intellectual property is in. There are big ears out there that will steal your idea. Try to be in stealth mode as long as you can.

- **Don’t give up.** Every one of Parker’s companies has ended up going down a blind alley or two and then having to back up and start a different approach, Parker said. “It’s very rare that your first ideas are going to end up being the actual solution.”

- **Don’t get greedy.** Probably one of the biggest failures of physician inventors, Parker said, is thinking that their idea is “so special and they are so smart” and deserve most of the company. “When physician inventors want it all or most for themselves, they end up with nothing,” he said. “Pigs get fat, but hogs get slaughtered.”

- **Have perspective.** If your only goal is the pot of gold at the end of the rainbow, Parker suggests investing in banking instead, because the real motivation should be to improve patient care and help society.

- **Don’t forget family.** Entrepreneurship can be consuming and it’s important to make time for family. Looking back, Parker said, “family is more important than anything else, you want to see your kids grow up into nice, young adults, don’t miss that.”


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