



Podcast Transcript



What You Don't Know: Healthcare technology company Smile CDR

Jennifer McMullan

Hello and thank you for joining us on the What you don't know podcast. I'm your host today, Jennifer McMullan, a local Director of Business Banking at HSBC Bank Canada. On this episode, I'm excited to be joined by Duncan Weatherston, CEO of Smile CDR, a Canadian health technology company with a unique open source platform that's making health care more accessible. Today we're going to find out first hand what you don't know about changing way of world access health care. Duncan, welcome. Thank you for joining us.

Duncan Weatherston

Well, thanks for having me.

Jennifer McMullan

So maybe you just want to give us a brief background of who you are and how you came about to this company.

Duncan Weatherston

Sure, my background is firmly rooted in both technology and healthcare. I have been an entrepreneur on and off since I was 18. And I spent a bunch of my life recently as a consultant in the province of Ontario in Canada, helping us create and deliver a broad-based electronic health record solution that encompasses primary care, acute care and hospital settings, patients, allied health professionals and a variety of others. It was in the context of building those solutions and services that we decided to create Smile CDR, mostly on the back of a perceived need that we had as consumers of these capabilities. We thought we could do a really good job of creating the capability for the dissemination of health information in a way that was responsive and aligned with modern practices that have been created as a consequence of the broad-based data flows associated with the Internet. And it was on the back of those ideas that we started Smile CDR. Initially as an idea between a couple of us in 2013/2014. And ultimately as a commercial venture in 2016. Over the last five years, we've been fortunate to grow from five people to nearly 300 today.

Jennifer McMullan

So, we're going to dive in, we're going to discover more about what we may not know about your company. And we're going to try and cover three unique areas. I'm going to kind of dive in a little bit more about your direct company. We're going to look at your international beginnings. And then we're going to see how you're going to navigate to these global markets, especially given we're all living in a pandemic. So, I think you and I were introduced at the beginning of 2019. It was before COVID was a common household name. And maybe give us a little what that was like being in the healthcare technology world. Covid gets announced, the whole world shuts down, what does that look like for a healthcare technology company?

Duncan Weatherston

Absolutely. So, the interesting thing for us was it didn't change all that much. Our staff stopped coming into the office and went home. But given the character of the work we do; it didn't break our business model very much. Another thing was interesting about it was the essential nonevent it was for healthcare IT. For those of us who've been working in the industry, we've been preparing for any need for the ability to communicate information between systems for quite some time now. And so, they didn't require us to rethink very much in the way that we tackled the overall solution. Obviously, there are point solutions need to get created for things like the availability of immunisation records, the interactions that happen at the points of immunisation, because, you know, recording those events is not necessarily trivial. And it certainly hasn't proven to be a simple task internationally. But, once information is recorded, the ability to exchange that information, store that information and then make it usable for a variety of purposes, has remained consistent. And it doesn't matter whether you're getting an immunisation, whether you've had a lab, whether you're taking medications, whether there's a diagnostic imaging report, whether you had an encounter with a with a hospital, all of these bits of information need to get aggregated and made available to those people that need them. And that's really what we're trying to build. So, and when COVID started, it was, you know, another data point but not a transformative perspective on the way healthcare gets delivered.

Jennifer McMullan

So Covid hits. I imagine you guys have been preparing for an online healthcare information sharing system. Was there a point that you and your management team all looked at each other and like, this is it. This is our moment. The regular world is going to understand what we were saying. While the rest of us were all shutting down and getting worried were you going, this is our opportunity. This is our big break to explain why we need to take everything, you know, virtual and share this information in a in an open source way.

Duncan Weatherston

So I think it was that kind of a moment for the people who are involved in telemedicine and remote monitoring and remote patient care, because for them, they definitely have been preparing as an industry for the ability to support people from home in in dire circumstances for some time.

For those of us who are sharing the information, I think this was more of an elaboration and justification for our position. But it wasn't a sea change. Because you know, independent of, you know, a broad scale epidemic or public health event, the ongoing requirement that your health information, travel with

you and be usable by you. It's been sort of a consistent story for the past 100 years. I mean, we've gotten better at it from the days when it was paper.

What our platform is, and what where the community is going is towards a very consistent strategy for the sharing of data. And the same way that the internet broke down all of the networking complexities that existed in the 80s and the 70s. The approach that we're taking with health data now is enabling us to provide the whole clinical community, whether you're a payer provider, whether you're a patient, whether you're a researcher, or a pharma company, or whatever it happens to be, with a mechanism to share that information consistently. And with the expectation that the receiving party will understand how to interpret what you're telling them in a way that is meaningful to them. And that is a huge change. You'd have thought perhaps that we'd solve this problem previously, but it hasn't been solved. And we are now, you know, in the last three or four years really starting to see the benefit of these standards and technology decisions that have been made. So really, the big change in the past year rather than being Covid has been this adoption and this broad understanding of the value of this protocol and approach by CMS and ONC in the US.

Jennifer McMullan

So interesting. At Smile, you have this, you have this platform. Who's buying this, who is your customer, who are you marketing this to? It's obviously not to me, it's not to my family doctor, who are you selling this to?

Duncan Weatherston

It is actually a very broad-based solution that has use in every aspect of healthcare. Because we're a software platform for healthcare, one of the one of the characteristics that's interesting about health data is that it's often in just text format. So, if you think about the notes you get from your doctor on discharged from a hospital, if you see what's been written down, you'll see that they're very comprehensive and well thought out. But they really are in paragraph form, and they're written in prose. This presents a challenge to IT interactions because computers like to have discrete information and be able to act on it.

And so, the neat thing about where we are now is, we're starting to create capabilities to take that information and break it down into discrete communicable forms for IT, while retaining the information content for clinicians. And so, with that in mind, we're able to open up a broad stream of information for researchers and for others, say pharma and the ability to develop new meds and new immunizations. And it's going to get broadly adopted.

Our platform is useful for governments who are providing care or participating in care for exactly the same reasons we've just discussed. And so when we talk about our client base, we don't have a single group that we're focused on. Really, what we're trying to do is enable this transformation in how information is used in healthcare, and then make it available to the whole community. That also kind of underpins our strategy of open source versus commercial. And this is a conscious decision. When we started our platform, we realised that this open standard called fast healthcare interoperability resources, it's quite a jumble of words, it's called FHIR for short. This new standard called FHIR would provide everybody with a common mechanism just like HTML did for the web, for communicating

information amongst each other. So suddenly, we have a means by which it's very easy to define, to all those members I just talked about, what information is available to them, and how they can get it, and how they can create a browser, if you want to think of it that way, that knows how to go and interact with it.

And so, the upshot, of course, is that as a goal, you want to make that available to everyone. I mean, independent of being a business that wants to make money. We're all patients, my family are all patients, your family are all patients, we want them to get the right care. And so we have an open source strategy, which is about making that open standard available to everybody. We had a need at the time that we did this to make a platform that was able to support millions of patients and millions of requests and 10s of 1000s of doctors interacting with this information in meaningful ways.

And so our platform is a wrapper around that standard, it's built on top of that standard, to enable people to really get that information, make use of it. You know, much the same way, if you want to think of the idea of, you know, your browser and your HTTP are free, you wouldn't expect to pay for that. But all the services you get on top that there are businesses for making money, whether that's Twitter, or whether that's Amazon, that there's a commercial opportunity there to deliver value over top of the open standard.

All of us should be able to participate in our health data, everybody should have access to it. And we should facilitate it and make it part of the underlying infrastructure of life. It shouldn't be, you know, health information is somehow different from commercial information. It should be that your health information is your health information. It's always available, where the commercial value arises is our ability to really make that work in very, very high demand environments with high velocity transactions and all of those things which make it commercially useful in clinical practices and other places. And really, that's been the focus of our business differentiation. At the heart of what we do, we have a slogan called better global health. And we firmly believe that we're able to deliver better global health through our practices and that's really our goal.

Jennifer McMullan

Okay, so I love that slogan, say it again, to me. It's better global health, better global health. So global. So currently, you're in 15 countries, maybe give us a little idea of where those are. And then where you want to be like, where are you? Where are you projecting to be in three to five years? And what countries are top priority for you?

Duncan Weatherston

Yeah, this is an area that's near and dear to my heart. So, part of our business model is to build commercially viable solutions in developed nations. That means I can hire staff at rates that are relevant in Toronto or New York or wherever it happens to be, but that we take the benefits of what we're discovering and building and make them available globally to communities that have different economics, right.

And what we think the value prop here is that the better-connected globe will be able to support better health information for all of us. And that better health information for all of us, leads to richer research,

leads to faster cures, leads to more innovative engagement, leads to solutions in environments that are challenging today, but shouldn't be. And with that in mind, and with the type of platform we have, we're partnered with telcos, who've been instrumental in our engagement in this space, in low and middle income countries, to figure out how we create commercially viable opportunities in those ecosystems at rates which are meaningful to them.

So, in the developing nations, the idea is that they can take advantage of the advances in the way we communicate health information, to be able to provide distributed access to the data and local centralised access to the treatment. And so, if you picture how that might work, you can imagine that in a country where there are very consolidated areas of care, but distributed populations. Where there was access to telephones, and this is one of my favourite pieces of information, even in the least supported environments, up to 75% of the population have access to a smartphone through either their own possession or through somebody in the community who's got one, which means that we can really, when I talk about distributed care, get into the very sort of most distributed marginalised communities in ways that are effective for the value of care that we're hoping to bring.

And so, you can imagine you've got a bunch of experts in a central area who have the ability to provide decision support. And we can roll out the ability to make really simple decisions, like should I go to the hospital, into rural communities, that for them would mean a five-hour journey in both directions to get the care they want. And so the ability to provide even simple assessments like that can greatly improve their access to care and their quality of care they get.

And so our vision on better global health is, first of all, make all of our open source available to everybody, provide instructions on how to use it, and help people build tools for free -- that's the imperative. And then those areas where there's the wherewithal to start nascent businesses at sort of centralised levels, to work with them and provide our platform at vastly reduced costs from what we pay in the West, so that they have pride of ownership and the ability to move forward. And keep those economies of scale locally, so that you can build out, you know, a business vision there. And by doing this by giving away free open source software, by making right priced commercial software, and then by really driving innovation in the developed world to find ways to maximise the benefit of health information. We really think that that is a recipe for participation in a much broad based visualisation of how global health might be reformed.

Jennifer McMullan

I feel like since we started talking you know, we started talking about health care you know, IT, that kind of cold kind of, I feel in this conversation now where this like, warm underside of Smile where it's like, no, we really just want to have better health care and when you start talking about like developing markets. I'm going to put this and you can respond back to me, like, would you say you're a social enterprise? I kind of feel like now, as we're getting down this, you know, there's, there's some real, you know, greater good that's out there and like, that's what's driving some of the commercial success that you're having.

Duncan Weatherston

So, I think that's true largely for healthcare. I think if you were to say, is healthcare a social enterprise, we are where. You know, despite the obvious, commercial opportunity, the community is driven by care. And it's, it's in the word, right, so when I talk to doctors, there's very few doctors who I deal with who haven't contributed to social good in developing nations. As a community, doctors are incredibly generous with their time and try to do their best to help out. And as a community, nurses are incredibly generous with their time, right. And for those of us who work in the industry, it's incumbent on us to try and participate in kind, and where we can do the right thing as well. I think it's the whole trajectory of healthcare.

Jennifer McMullan

I love that, like, there we are, and things I don't know. You know, once you get into the industry, you know, stuff that we don't know, on the outside. Now, I'm going to bring this back to you. You and I know each other, and I just want to bring it back to February 2019. Remind me how we got introduced and why you decided to work with HSBC, you know, we're in Canada, there's a lot of, you know, domestic options. Why did we rise to the top to be a partner with you in this growth for internationally.

Duncan Weatherston

When we first met you, it was as a consequence of working with the Government of Canada for International Affairs and trying to figure out how we're going to be more globally effective. And the individual who had been working with us from the government recommended we talk to you. And so, this was on the back of our discussion about how we want to be in so many different places, and the value prop of having an organisation that is in those same places with us. And, on the back of that, we had an introduction. And after our first conversation, I realised that not only we aligned from a global dispersion perspective, but we were aligned from the view of opportunity and the ability to change things. And so, the early conversations we had really gave me confidence in HSBC's participation, both as a business partner and as a vision partner. And that was really what sort of sealed the deal.

Jennifer McMullan

That's good to hear. Because that's what, you know, we all work towards. And that's one of the main reasons we do what we do. Despite what everyone thinks, bankers do care. We are here to help the entrepreneur and your growth and your successes. Honestly, it's not my hard work, but I feel just as excited as you do.

Duncan Weatherston

In that front, you guys really did help out, right. So, at the time we started engaging with, you know, we're a Canadian company, that is a small market. And as a consequence, Canadians are skeptical of anything made in Canada until the broader market has adopted it. You really do have to go to the globe first, demonstrate that you're effective, then come back to Canada and convince Canadians that that success puts you in the right ranks to be able to be participant in their community. Canadians are very practical. So, with that in mind, when we came back to Canada, we didn't have the type of support from Canadian business that you'd expect for a company that was in the position we were in. Whereas you guys immediately saw through that and gave us the opportunity to participate in banking services that we sorely needed at that point in time for our growth. And really, on the back of the support you gave us, we were able to fuel the next five months of, how do we take the fact that we're scaling up so

rapidly. In that timeframe for when we started, we grew from 30 to 300 people, and you can't do that without a bank supporting you. And so you guys were really instrumental in our ability to take that step and move it forward the way we wanted to.

Jennifer McMullan

And I agree, and I work with business banking, so a lot of times, you know, I'm in that growth period. And maybe just on that, give us your perspective as being a CEO of, you know, let's say an under \$5 million company, over 10 million; what has changed in your job, you know? What do you worry about now that you weren't worried about?

Duncan Weatherston

So, I would have to say that they are almost two different jobs. The the things I had to do as a bootstrapped entrepreneur, building a business with no money are very different from where I am today. So while it was an under \$5 million company trying to figure out how we were going to grow, you know, it was largely on the back of our effort, right? I had to be our architect, or developer and our team was sort of very tightly knit, and we were coming up with ideas on how we could sell.

Now that we're at 300, people, my technical acumen is irrelevant. I feel good, sometimes I can pat myself on the back that understood what somebody said to me. But really, I'm sure my team would rather that I had no idea what they were saying, because it's probably less helpful than I think. I think that the really valuable piece, that you get to an organisation of our size, I suspect looking forward, it's the ability to understand the relationships that you have, and the value of those relationships, and the ability to assess opportunity and the value of opportunity and the ability to help your leadership team achieve their visions.

So, the change in focus has to be to walk away from your technical acumen, not entirely, but as much as you can walk away from your technical history, or whatever your specialty history is, when you step into the role of CEO of a growing larger organisation, you have to be able to embrace the value of your team, you have to embrace the support for the decisions being made by those around you, you have to be able to embrace the community that you're interacting with, and you have to inspire everybody around you to achieve the best that they can. And obviously, that's a huge transition.

And if you think about our broader vision, the idea that we're going to try and change a substantial way of how people think about health information, its use, and the delivery of care, we have to be inspirational. We can't afford to be purely tactical, because if all I'm trying to show you is here's a better widget, you won't see that this better widget will lead you to empowering people in a small part of you know, Sub Saharan Africa to get better care. I have to explain our goal is to get there and this is a step on the way in that direction. In my mind, that really is the transition. In the early stages, I have to be able to sort of build stuff and show that we can do stuff. In the later stages, I have to be able to explain why it is that our team's vision and the community that we have are so dedicated to this transition, and then help other people either rationalise and refine that vision, or help other people see and join that vision. And that really is the goal I have these days.

Jennifer McMullan

Yeah, it's like you've said, so you've kind of hit upon bootstrapping entrepreneur, doing everything. Now your kind of in this growing company that's hitting international markets and very successful.

Where can HSBC help you? Walk us through the next three years, or the next big goal.

Duncan Weatherston

So, what's really important is that we're able to communicate the transformational nature of the business we're in, right? I think the way I've explained it to others is there was a time before the internet and after the internet. And in the time before the internet, all of our expected engagements were in person, whether that was at a teller, at a store, or going for dinner with your friends, reading articles. It was all tactile and in person and after the internet, although we still have all of those things before the internet, we have a whole suite of activities that can occur in the middle of the pandemic, so we don't actually lose shopping and we don't lose contact with our business associates and we are able to interact with each other. You know, none of us would think of banking in the same light as we did in the 80s or the mid 70s.

Obviously, we have a great relationship with you, and we met in person and everything else. We do have these personal relationships. But point is, there's been this huge sea shift in the way that it drives business. Although, you know, no industry is completely immune, healthcare has largely been immune to that change. The substantive character of healthcare is human, right. And that is an ongoing and for the foreseeable future character of the business. And consequently, it wasn't amenable to removing tellers or remote interactions, it has taken a lot for us to get to a state where the information that a provider could get about you could be sufficient without an in-person interaction. And we're still not there yet, but at least on the horizon is that ability, where the systems that monitor you where the availability of real time information gives them sufficient data that they can start doing some of their work without you in the room. Where the technologies that they're using aren't so intrusive and distracting that it is causing burnout.

All of these constraints, that have caused healthcare to stay behind the rest of the world when it comes to the use of information, have barriers that need to be broken down. And part of our vision, and when I say our, I mean, the industry who are proceeding down the path that we happen to be sharing with them, is this vision of a post-internet world for healthcare, where all the data clinician needs about you is available to them immediately in meaningful ways.

The consequence of this data isolation is that a lot of clinicians are still having to work in conditions that can be described as artisanal, right. So these are very, very smart, well intentioned people with a great deal of education, who are being asked to integrate more and more and more information, and not necessarily being given the tools to do so. I think one of the walls we have to break down is we have to get to the point where we're supporting these very talented people with information that is able to live up to their very strenuous demands and expectations and then provide meaningful value to them, not sort of dollar store, quick hits, but really deep transformative value.

And I think the last piece of this that is really important is the competitive aspect of this. There is no internet company, the internet is a collective event. We can't have the internet of healthcare company;

we have to have the internet of healthcare and a bunch of companies were facilitating it. So, our vision involves a broad competitive landscape of people delivering value. And we want to be a key player in that. We have a vision for ourselves. So, we hope we'll improve things. But we want others to be sharing that vision and competitive and really sort of driving innovation and that whole thrust that makes everything change. And so really, that's the character of what we think is different about what we're doing. Collaboration competition together.

Jennifer McMullan

Yeah. The perfect recipe in between that, right?

Okay, I'm going to ask you one question that's probably off topic or on topic. You have 300 employees now. I'm going to say they're probably mostly virtual. What do you do to bring your culture together? You know, you have gotten 300 people you're all working on this very transformable vision of the future, like what brings your culture as a as a company together? What drives that?

Duncan Weatherston

So, the first thing is we've been very careful in who we hired we have the most amazing team. I try to tell them often enough. Hopefully, someone sees this and hears it from some other angle, but I feel like I'm privileged and honored to work with such an spectacular, thoughtful, caring group.

If you go to our website, you'll find that at the start of the pandemic that early at the start of the pandemic when we could all get together, we all sat down in a room and put down our corporate philosophy. And if you look at where our team was, in terms of the ability to care, deliver value support, it is it is really remarkable. So, we started off with a team who were culturally aligned and really generous individuals. And you know, what's happened over the pandemic is we've had to hire a substantially larger number of people. If you can picture, it's like growing 10 times your size in a couple of years. But I think the base values that drive what we're doing have pervaded and were maybe influential in the types of people we hired, but I find is that no matter who I talked to in the company, they all share a vision. They want to change the world, they want to deliver health care they want to make a place where people are able to stay healthy longer to have more responsive interactions with their clinicians, whatever it happens to be. So, from that perspective, it's been very easy to sustain the culture.

Jennifer McMullan

Is your workforce diversified across countries? It like is that something in the future, grabbing the great labour force of the world?

Duncan Weatherston

Absolutely. This is one of the things I love, actually. So from my perspective, I think the idea that you can grow up, work in an interesting firm and travel the world is an essential part of how the future ought to be. Like, you know, when I was a kid, working ment going into a place and being bound to that place, and, you know, taking vacation and being away from it. I love the idea -- our team are pretty diverse. We've got people in India, the Philippines, the US, Canada, South America, Europe, we're pretty broadly distributed. And so consequently, being employed does not mean being forced into boundaries.

And as you can keep your vision, you can go and see the world, you can do the things you want to do. And I think one of things I love about the new economy, the new way of doing things, is that we can keep encouraging people to do that. So, I think there's huge opportunities for all companies out there to find ways to expand the boundaries and vision of their staff, while retaining their services and abilities. I love this opportunity.

Jennifer McMullan

You know, coming out beginning my career that sounded like do your job anywhere in the world? No, that's impossible. You know, in 20 years now we're looking at and like you said, it's your, people are in your company already doing it. It's amazing.

Duncan Weatherston

Well, so here's an example of the transformation the Internet brings like, this is entirely on the back of the internet, right? Imagine that for health. That's the part which I want people to buy into. Imagine if you can do that transformation that the internet did for everything else, for health care. You pick the aspect of the character of being well for 120 years, and that's the goal, right? Imagine living 120 years of perfect health. That would be when we succeed.

Jennifer McMullan

I do plan to be around for that.

So, Duncan, you mentioned you're out of Toronto, you currently bank with HSBC Bank Canada? Where else do you bank with us? And where else do you see opening bank accounts around the world? Or where else can you see us growing with you?

Duncan Weatherston

Yeah, so this is a really important part of our business plan. You know, as we said earlier on, the goal for Smile is to deliver global care. In order to do that, you actually have to have a footprint in the countries you're working in, you can't possibly engage in community activity remote – well you probably could but it's very challenging. The goal would be to have a footprint in the communities that you're working in. And HSBC is well established in all the places we intend to go, you know, we're working in Canada, America, Australia, New Zealand, South America, Europe, we're starting to do a bit of work in Africa, Asia is a market we're sort of pursuing. And you can imagine that in order to be able to resolve the differences and distinctions in the way that finances are handled in each of those communities, we need a player who's local there. And so, HSBC is 100% our go to for that approach. And today, like I said, we're in Canada, the US and we're opening some direct offices in Europe. But beyond that have staff who are working in India, we have staff in the Philippines. For now, we're funding that through agency pathways, but at some point, we're going to be opening offices there as well. So, HSBC is 100% Our, supporter and our sort of plan for how we would deal with them.

Jennifer McMullan

I think we've covered a lot of good points. I think we figured out what's inspired you and your team and how we got here. Is there anything that we don't know about Smile CDR? Like you said, you had a big

investor this year. Will we see you on the stock market at some point like? Is there something you want to share with everyone listening to look out for in the next headline?

Duncan Weatherston

Alright, so we'll pat ourselves a little bit on the back here. We were voted in the fast 50 for growing companies. We think that part of having big goals is the need to deliver big things. So, our goal is ultimately to participate and help deliver on healthcare globally. And you know, we're just a small Toronto firm who's taking off.

Jennifer McMullan

So I want to thank you for joining us, sharing a lot about your company, like I said, earlier on, I feel like we started with IT -- cold, you think computer data entry, all that sort of stuff, into really what your underlying vision for the future of healthcare is, and I think everyone can appreciate the collaboration you're looking to do to change that for everyone, paying or not. And this open source, platform is, it's amazing, right?

Duncan Weatherston

Well, thank you.

Jennifer McMullan

Thanks for joining us.

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