



2006

FROST & SULLIVAN

Entrepreneurial Company Award

## 2006 Frost & Sullivan Award for Entrepreneurial Company Award Recipient: ScImage

Frost & Sullivan is pleased to recognize ScImage's unique and proactive approach to the PACS market with the 2006 Entrepreneurial Company Award. Since 1991, this Los Altos, CA company of fifty employees has continually contributed innovations to the medical imaging field.

ScImage's solutions and services portfolio truly reflects the state of the art in PACS. The explosion of imaging volumes and the impetus toward storage consolidation and integration have increased interest and concern surrounding PACS storage throughout the healthcare community. ScImage was fast to respond to the market demand for reliable and affordable storage services. ScImage has been successful in its role as a storage service provider, offering complete storage solutions to healthcare institutions. The company was also prompt in sensing the rising need for disaster recovery planning services and successfully fills this niche as well. In fact, ScImage's world-class data center has rapidly grown to manage over a million studies a year.

In addition to its activity in the PACS storage market, ScImage is rapidly developing its presence in the PACS market, in cardiology as well as in radiology. The culture of entrepreneurship at ScImage has led the company to quickly adopt the innovative financing strategies that have encountered widespread acceptance in the PACS market. ScImage can offer PICOMEnterprise as a managed archive, as well as an application service provider. The breadth of ScImage's portfolio resembles that of the larger multi-modality vendors. It is impressive indeed what can be achieved with a company of only fifty innovators.

ScImage has developed a strong reputation as a respected enterprise imaging company. With a strong background in cardiology, coupled with extensive experience in radiology, ScImage is well positioned to envision and propose a full-fledged enterprise imaging solution. Here again, ScImage demonstrates that it is ahead of the curve in anticipating the future of PACS at a time when the latest wave of consolidation in the PACS arena has made it clear to everyone that cardiology PACS and radiology PACS are touted for tighter integration. Accordingly, ScImage is always at the forefront of industry efforts towards more integration and interoperability and is naturally a recognized participant at the Integrating the Healthcare Enterprise (IHE) Connect-a-thon.

Currently, ScImage's PACS solution spans the radiology, cardiology, and orthopedics departments. The solution offers a complete portfolio of specialized toolsets for the demanding clinicians of these image-intensive departments. The toolsets leverage ScImage's long track of innovation in the design of clinical applications for cardiology. These toolsets also illustrate the importance of ScImage's long history with advanced visualization, at a time when functionality is starting to go mainstream. The three distinct front-end systems reveal the specificities of the workflow in each department. Moreover, these systems use a unique database and share a common back-end infrastructure that can easily be expanded to serve additional departments.

ScImage's PICOMEnterprise therefore illustrates an innovative concept, whereby the back-end infrastructure is dissociated from the front-end sub-systems, and maintains an open architecture that facilitates its expansion within the enterprise. Pioneered by vendors like ScImage, this PACS design is slowly but surely emerging as a best practice in PACS technology. Every ScImage enterprise-wide PACS installation is therefore a living example that demonstrates that it is not only feasible, but also beneficial, to share resources among clinical departments while still meeting the needs of specific workflows. This new paradigm in enterprise imaging is brought forward at a time when the healthcare industry is struggling to manage departmental silos of data storage and focusing on consolidating and integrating diverse streams of patient data.

In keeping with to the entrepreneurial nature of the company, ScImage's solution offers the ability to manage DICOM images along with a plethora of non-DICOM objects. This feature is crucial for healthcare facilities, as they contemplate the implementation of a comprehensive electronic medical record (EMR). ScImage's solution therefore embraces a long-term storage strategy for the enterprise. By unifying image management functionality and integrating patient data, ScImage is proactively redefining PACS technology as the imaging component of a greater healthcare IT ecosystem.

### **Award Description**

The Frost & Sullivan Award for Entrepreneurial Company is presented each year to the small company that demonstrated superior entrepreneurial ability in its industry during the research period. This Award signifies the company's identification of a unique and revolutionary product solution with significant market potential. Additionally, the Award certifies that the company's marketing strategy is sound and poised for success.

### **Research Methodology**

Entrepreneurial ability is assessed using mostly primary research with top manufacturers and end-users in the industry. Frost & Sullivan's analyst teams perform extensive interviews with the company in question to evaluate its business, products, and marketing plan. In addition, primary research with leading manufacturers is performed to benchmark the Award recipient's strategy for growth against established players' strategies. Also considered are elements such as strategic alliances, expected time to market, and the senior management team. Primary research with end-users is also conducted to evaluate and compare the value of the Award recipient's product solution.

### **Measurement Criteria**

The recipient that is chosen for the Frost & Sullivan Award for Entrepreneurial Company must match the following criteria:

- The company must have fewer than 300 employees.
- The company must have identified a brand new and completely unique product solution.
- The product solution must have significant market potential - at least \$200 million - and a high probability of reaching its potential in the next 2-5 years.
- Financial and employee based resources to ensure a large probability of success. Financial resources include backing from VCs, IPOs, and funding from large corporate partners.
- Protection from competitors: patents, large product development lead time, strategic alliances with key component suppliers, etc.
- Strong plans for marketing: strategic alliances for distribution, relationships with key customers, voluminous positive-press in the media, endorsements from industry experts, etc.

### **About Best Practices**

Frost & Sullivan Best Practices Awards recognize companies in a variety of regional and global markets for demonstrating outstanding achievement and superior performance in areas such as leadership, technological innovation, customer service, and strategic product development. Industry analysts compare market participants and measure performance through in-depth interviews, analysis, and extensive secondary research in order to identify best practices in the industry.

### **About Frost & Sullivan**

Frost & Sullivan, a global growth consulting company, has been partnering with clients to support the development of innovative strategies for more than 40 years. The company's industry expertise integrates growth consulting, growth partnership services, and corporate management training to identify and develop opportunities. Frost & Sullivan serves an extensive clientele that includes Global 1000 companies, emerging companies, and the investment community by providing comprehensive industry coverage that reflects a unique global perspective and combines ongoing analysis of markets, technologies, econometrics, and demographics. For more information, visit [www.frost.com](http://www.frost.com).



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