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<<Bill Plovanic, Analyst, Canaccord Genuity>>

All right, good afternoon, or I'm sorry, good morning. Welcome to the Canaccord Genuity Global Growth Conference. After seven presentations in a row, feels like the afternoon. With us up next, we have AtriCure. And for AtriCure, we have Mike Carrel, President and CEO, and Angie Wirick, CFO. We'll start off with about a 10 minute presentation and then we're going to move into a fireside chat.

With that, I'd like to hand it over to Mike.

<<Michael Carrel, President and Chief Executive Officer>>

Thank you, Bill, and thank you, Canaccord, for having us here today. Much appreciated. Good to see everybody. Many people I know in the room. And it is morning for me, even though it might be evening or afternoon for Bill. I'll just give you a little overview as in about 10 minutes about what AtriCure is, what we're all about. But if you leave here with anything, really think about the fact that we are in large underpenetrated markets.

We are addressing an underserved population. We are number one in each of the spaces that we happen to be globally in these areas, and every one of them are severely underpenetrated, mean there's a lot of patients to go after. So these are multi-billion dollar overall markets that we're going after.

Number two is that, we already have a strong portfolio of products. We invest a lot in R&D and innovation and coming out with new products. Just over, quite frankly, over the last – between the last six months and over the next 12 months, we'll have almost six new product introductions coming to market to really drive kind of access into these markets. And obviously that leads to a bright future overall.

So what I thought I would start was just, I mentioned briefly about the size of the overall markets. If you look at the kind of orange box there, kind of today we're about a $5 billion market. Now, what you don't see in this slide is if you look back 10 years ago, our markets, and we would define, we sitting in front of you, we'd be talking about $1 billion worth of market opportunity in TAM.

But over time, we've actually expanded that opportunity quite dramatically. If you look to the bottom left, it's cardiac surgery. That's our core market that we've been in for many years. We've got relationships with every hospital in the United States and almost 80% of them around the globe. So we've got a very strong presence with cardiac surgery in that area focused on atrial fibrillation and open ablation and left atrial appendage management. That's a very big market, an underpenetrated market, which I'll go into in a moment.

Our pain management business, which is actually for ablating the intercostal nerves to reduce pain after thoracic surgery today, that's that box that's within the orange area there, just for thoracic surgery. And to give you some context to that, there's about 150,000 thoracic surgeries in the U.S. It's about triple that if you look at it on a global basis. We've been on the market since 2019, and we've grown that business tremendously. And we're still just 20% penetrated in that area as well.

What this does is it allows people to get out of the hospital faster and reduce the amount of drugs that they take when they're undergoing any type of thoracic surgery. And then finally to the right, what you see is our hybrid therapy, which is a multibillion dollar market. There are 8 million patients in the United States, over 37 million globally.

But if you look at just those in the U.S., the 8 million patients, half of them have what I would call complex or advanced Afib. They've been in Afib for over a year. That's what we're going after here. We are complimentary. You hear words out there like PFA, pulsed field ablation from all the catheter-based companies. Those are great technologies.

I'm not up here to say anything. In fact, they are complementary to what we do. Our technology works in combination with that for the most advanced patients, because you need a more durable lesion, and you need to approach it from both the inside of the heart and the outside of the heart.

And that hybrid group is that 3.5 million patient opportunity, just in the U.S. alone. So a massive opportunity and to give you some context, last year we did 3,000 cases. So we are just scratching the surface in terms of the market growth and market opportunities. That's why that little line below, the shade below is incredibly small. But we're also looking, the way we build our business is we say, okay, these markets have a lot of area to grow, but how do we build on top of that over time? And if you look over to the sides, you can see both pain management and cardiac surgery have expansion opportunities to take the 5 billion, quite frankly, to well over a $10 billion opportunity.

On cardiac, it's about prophylactic treatment, on pain management, it's about looking at other extremities outside of just thoracic. And in the hybrid, it's about other different areas where we might be able to get into, so big, low penetration in the market opportunity that sits there. I'm going to give you a little bit of detail, just about Afib first, because I think it kind of helps you understand how we're differentiated in the market. There's really two patient profiles that we're trying to help out. The first one is over where it says concomitant open procedures.

This is a patient that undergoes into cardiac surgery, of which there are 2 million patients globally that undergo cardiac surgery. And one-third of those patients today have atrial fibrillation. That has been the core of our business for many, many years is to say, okay, how do we take that? 10 years ago, of that group, 10% were treated. Today, it's over 30%. And we anticipate that that number is going to go to 80%, 90%. Why? Because guidelines have changed, reimbursement has changed, and so we're in a great place to help treat that patient.

And by the way, we are number one in the world in this area. We've got about 85% market share. This is where we sell our ablation products, and we also sell something called the AtriClip to manage the left atrial appendage. So, big opportunity, it's been a great, solid business for us for many, many years, and there are still many, many more patients to treat.

On the other side of the page, you see what I was referring to earlier as hybrid. This is the patient that has atrial fibrillation. And Afib is a lot like cancer in that it is a progressive disease. So what happens is, when you go in for treatment to your doctor, when you've got Afib, they typically put you on medications. Then what they'll do is they'll do the cardiac ablation with a catheter. When that does not work, that's when we come to play, because it doesn't work when you actually have a more advanced form of atrial fibrillation. And so this market alone is a multibillion dollar market as well.

So in cardiac surgery, I hit on most of this. But just to give you a little bit more background into the area, on this area right now, we've got two different areas. It's an ablation and an AtriClip. We're number one in the world in both of those different areas. We just announced the launch of a brand new product called the FLEX-Mini. That is, we announced in our earnings call. We got clearance from the FDA. We anticipate a full launch in the fourth quarter of this year.

This is a new innovation. It's about the 7th generation of the product. And we continue to leapfrog kind of our own technology out in the marketplace relative to that. And we do have competition coming into this area because people are recognizing that this is an underpenetrated market. And to give you some context of how underpenetrated it is, there are 2 million patients that undergo cardiac surgery every year. And last year, we implanted about 125,000 of these.

That means we're about 6% penetrated in a market of 2 million on a global basis. So we have a long way to go as we go after this space, but we also. And the way to win in that space is you've got to show stroke reduction. So that's why we're making major investments in a trial called LeAAPS, which is a randomized trial to demonstrate that our products do, in fact, reduce stroke rates for patients that undergo cardiac surgery when you put our AtriClip on. So we have an established brand, over 5,000 have been implanted. Incredibly safe, it works every single time. And now we're investing in both new technologies and new clinical evidence to basically go from 6% penetration to the 2 million patients that undergo cardiac surgery every year.

I hit on hybrid quite a bit already in terms of kind of the overall size and market opportunities there. What you really have to come out of this is that the data suggests that if you have Afib for more than 12 months, there's really only one solution that works on the market. And you can see we've had about five different randomized controlled trials globally that have demonstrated hybrid solution when you combine the catheters, whether it's PFA, cryo or RF, with our technology, you get a significant improvement in the lifespan for that patient, significant reduction in the atrial fibrillation for that very complicated to treat patient. And the data suggests it. And it's been – we invested in that over the many years.

And then finally, on the pain management side, I mentioned earlier, we kind of launched this in 2019. In 2019, we demonstrated that when you do an ablation on the – what they call the intercostal nerves, so when you're disrupting the nerve endings around your thoracic space to get

access to it, it's really painful, by freezing it, what you do is you block the pain signals temporarily for about a six to eight week timeframe. I often get asked the question, why are you in pain management when you've been in Afib for so long, like, that's your business. And the reason we got into it is that we are experts in cryo. And then people started to use it to reduce the pain during their surgery.

And we realized, why do we do it? Because it works and it works almost every single time. And we had unique access because we already had systems in place across the country. And it's grown tremendously to now we've got, it's almost, we did $15 million in business just in the most recent quarter, grew 19% in the second quarter of this year. So very, very good, robust growth in this area.

And just to give you some context and we're going to get some questions here in a moment. If you look at our outlook for the year and you look at our history, we have been a very consistent, if you get anything from AtriCure, we are very consistent at growing in the mid-teens. You can see even over the last several years, coming out of COVID we had 33%, 20%, 21%. This year we're around 15% overall growth for the business. So very – on obviously larger numbers, super solid growth, and we've crossed the profitability.

So last year we did $20 million of adjusted EBITDA. This year we'll be between $26 million and $29 million. And in the most recent quarter, we generated $8 million in cash. So committed to both growth on the top line and on the bottom line. Financial profile is incredibly strong. We've got a balance sheet that can support us as we go forward.

And then with that, I'll just – I think I can close on that slide and turn it over to Bill to ask us some questions.

<<Bill Plovanic, Analyst, Canaccord Genuity>>

Excellent. Mike, Angie, thanks for joining us today. Appreciate it. And thank you for the audience as well. I want to start out, and it's the question I get asked actually the most, and given the stock is down, is 15% growth, there's some fear that you could go under that kind of target of 15% growth. What do you think about that? Where are the risks that we end up the year below above because I think that's as the stock is pulled back, that's probably the question I get the most.

<<Michael Carrel, President and Chief Executive Officer>>

Yeah, I look at it and say we've been a consistent kind of mid-teens grower to 20% plus grower for many, many years. We've hit the numbers that we've always talked about. Even though we brought guidance down just slightly this quarter, we actually hit our numbers last quarter we haven't missed.

And so we feel really good about the guidance that we've given for the rest of this year. And we feel good about the profile of what's to come as well for our business overall. If you look at kind of the pipeline of activity we've got across every aspect of our business. So we rolled out

cryoSPHERE+, which is helping grow that cryo business, and we were at 19.2% growth in the most recent quarter. You've got FLEX-Mini in the area where you've got competitive pressures. People are thinking, wait, that's going to go to nothing yet. We actually accelerated our growth rate even without the new product introduction. In the second quarter, we grew 17% in our open – clip franchise.

And we've got the new product introduction and we've got the LeAAPS data and trial ongoing as well. So we feel really good about the pipeline of both R&D and clinical evidence that's out there to maintain really strong growth rates for not just this year, but actually into the future as well.

<<Bill Plovanic, Analyst, Canaccord Genuity>>

Okay, and let's shift to the guidance. You already mentioned that you had a good solid quarter. You reduced the 2024 guidance to reflect the weakness in the MIS Epi-Sense business and the impact that that also has on the clipping side. Talk about your expectations for the year to the business, and especially in light of the challenging launch you've had with Epi-Sense. And ultimately, what do you think PFA is doing in terms of distraction and how long will this keep distracting us?

<<Michael Carrel, President and Chief Executive Officer>>

I mean, if you take a step back for a second, I think the first thing is that are there patients that actually benefit from the work that we do? Whether you're using cryo, RF or PFA, the answer to that is 100%, these patients have a failure rate. When they have catheter ablations of about 30%, especially in the complicated patients, it's actually less than 50%.

Well, what do you do when you've thrown everything at it? And what you do is you basically refer them to a surgeon. And so because the surgeon can actually with, and we've proven it, as I mentioned in my discussion there is that we've proven it through many randomized trials, that when you do that, you actually get well north of 70% success rates, durable success rates for many, many years. When you add this onto those failed catheter ablations, that's the problem we're trying to solve.

We're not trying to compete against them, but when they don't work, which they don't every time, then you've got another solution to kind of come after them on that front. What PFA has done is it's created a lot of excitement because they can do it faster, they can treat more patients, which is great. And they're going to try that because it supposedly is.

Also, they can do the back wall, they can make it safer. That's all good, but the data will suggest that eventually those patients are going to basically fall down the funnel and have their non-response. Therefore, we're going to basically be there to catch those patients. What's in the short-term is that physicians are saying, I need to incorporate this into my hospital. So it takes time and distraction. They've got to buy the systems. They've got to work with administration. So they're not thinking about their referral patterns to their surgeon. They're thinking about, how do I get this in and compete against the guy across the street who's getting PFA and is marketing the fact

they've got this new technology in their market, that is a transient issue, though, because they're all going to have it within the next year or so.

They're going to all have some systems, and so we're going to benefit because that means more patients are going to get treated, and then we're going to kind of be at the bottom of the funnel when they do have those failures.

But in the meantime, there is a distraction. And then we saw that distraction in the second quarter. We anticipate it's going to happen through remaining part of this year, but this isn't something that's a distraction for the next several years. We think that into next year we should start to see some relief on that.

<<Bill Plovanic, Analyst, Canaccord Genuity>>

And then help us understand, I think you had this at the same time as you had a competitor come into the clip business. So you have – on one side you have the CONVERGE procedure, but I think you had a good slide up there that said, hey, when you do the hybrid, they're also putting a clip on. And so if they're not doing as many procedures or that's slowing, then your clip business would naturally slow at least that component of it.

<<Angela Wirick, Chief Financial Officer>>

Correct.

<<Bill Plovanic, Analyst, Canaccord Genuity>>

But we as investors see clip business, not sub-segments. So help us understand, like you have this overarching business versus what's going on in the competitive side versus what's going on, on the Epi-Sense plus clip side. And how do you see this kind of as we should look forward on that?

<<Angela Wirick, Chief Financial Officer>>

Yeah, I think the appendage management line consists of both open chest AtriClip. So it's an open cardiac surgery application in conjunction with an ablation or often on its own versus the minimally invasive AtriClip devices are put on in conjunction with a CONVERGE procedure. Largely we have about 85% to 90% attachment to our CONVERGE procedures.

In the U.S., the split of the appendage management revenue was about 77% for our open AtriClip devices versus 23%. If you look back at 2023, that was closer to a 75%-25% split. You've seen really nice growth in our open appendage management product line, which is where we've got the competitor in the space. So we were excited in the second quarter to see an acceleration in growth like Mike talked about. We grew around 15.5% in the first quarter in the U.S. and just under 17% in the second quarter in the U.S.

<<Bill Plovanic, Analyst, Canaccord Genuity>>

So despite competition, not impacting the open business, what we're actually seeing is just because the PFA has come in and the physicians are focusing elsewhere rather than building the EPi-Sense programs, maybe that's not growing as fast right now, but you think that's a short-term distraction.

<<Angela Wirick, Chief Financial Officer>>

Correct.

<<Michael Carrel, President and Chief Executive Officer>>

Correct.

<<Bill Plovanic, Analyst, Canaccord Genuity>>

How long is this? You saw this internationally? Is this two quarters, three quarters, four quarters before…

<<Angela Wirick, Chief Financial Officer>>

Thinking in terms of quarters and not years, as Mike said. So beyond 2024, which was the thought that went into kind of the guide adjustment for the year.

<<Bill Plovanic, Analyst, Canaccord Genuity>>

Excellent. And then my next question, I don't want to lose sight about how PFA can be complimentary to the hybrid CONVERGE procedures. Since you're agnostic about the endocardial catheter piece of the procedure, which you've outlined above before, more volume leads to more failed catheter ablations. Where does this ultimately lead us? I think we're all focused on the present and if we're actually getting higher throughput, the doctors adopt PFA because they can do it faster, safer, but they're not improving outcomes. So to me that just means we're going to have more patients down the line, is that…

<<Michael Carrel, President and Chief Executive Officer>>

That's a great way to think about it. If you look at – I mean, even put numbers behind it, there are 400,000 catheter ablations for Afib in 2023. That number is supposed to be 480,000 this year, growing at 15% to 20%. That's going to be more entering the top of the funnel to come to the bottom of the funnel when they actually have some of those failures. Today we treat just over 3,000 patients with hybrid. We're less than 1% of the total population on that front. So we're a small little niche area in that.

And we want to make it standard of care that for the complicated. We're not going to take over the 400,000 or the 480,000. I mean, the catheters work incredibly well for the early stage patients, and they should continue to do that. And for the later stage patient, even if they try it

first with that, they're going to get their failures, and we're going to have tens of thousands of patients that we think can get treated and should be treated every year with ours. And that's when it becomes a standard of care. So we need to get to that critical mass, and that's our goal.

Now, obviously, if there's a distraction, because you've got to get two specialties to work together with EPs, that's the distraction that we'll work through. But eventually, this is going to be tens of thousands of patients every year that are getting treated.

<<Bill Plovanic, Analyst, Canaccord Genuity>>

Yeah. Let's go back to the clip business real quick. We did talk about trialing. You saw it Q1, saw Q4. Has it peaked? I mean, I think on the conference call, you said you had like 950 accounts.

<<Angela Wirick, Chief Financial Officer>>

Yes.

<<Bill Plovanic, Analyst, Canaccord Genuity>>

Do you think that all the accounts have seen it at this point or if they're going to adopt it, what does splitters look like? Are they adopting it, putting it on the shelf, just so they have two solutions? And if so, have you been kicked out of any accounts?

<<Angela Wirick, Chief Financial Officer>>

We have not been kicked out of any accounts. I'd say the trialing is continuing. Within our open AtriClip business we are in almost every cardiac surgery center in the U.S. That's the 950 number, and we're seeing a range. We've seen surgeons try the product, the competitive product, and say, I will use this and an AtriClip device. We will use both. Say more in the second quarter, we heard of trialing ending in accounts where they've come to the conclusion that AtriClip is superior, Penditure will not be in the account and trial period is over.

But the competitor is in the market for a reason. It's a really big market. It's a compelling reason to be in. And our expectation and outlook is we're prepared to continue to compete. And we think that new technology with the FLEX-Mini is a great way to put us out ahead in the lead again.

<<Bill Plovanic, Analyst, Canaccord Genuity>>

You took my next question. How do we think about FLEX-Mini? What does that do from a volume ASP standpoint as you commercialize that product?

<<Angela Wirick, Chief Financial Officer>>

From a volume standpoint, we think it helps continue to grow the market. Visually, the clip is significantly smaller. To the naked eye, it looks significantly smaller. I think in some use cases where surgeons are concerned about anatomy close to the appendage and thinking, okay, if I put a device there, what's the impact? We're hopeful that that encourages the physician to use the device.

I think also, given this falls on the platform of an incredibly successful AtriClip product line, multiple iterations, where surgeons have excellent experience I think it's going to continue to drive volume growth. With all new technology you know that we look for an uplift in pricing. This will be no different. I'm just not going to tell you what it is.

<<Michael Carrel, President and Chief Executive Officer>>

And to be clear, if you look at our product line today, the products we have in the market today are already the best products on the market. They're the smallest, most effective and most proven technology with the best safety rates that are out there with our existing technology. And then this is just another step forward on top of what is already a platform that is superior to what is on – what the competitors have.

<<Bill Plovanic, Analyst, Canaccord Genuity>>

Let's shift to the pain business. I think we saw a reacceleration in growth. We did see the cryoSPHERE+ product launch. Is there a correlation there? Is this just getting doctors more excited? Is there something other going on? And how should we think about as you bring out MAX product into the end of the year?

<<Michael Carrel, President and Chief Executive Officer>>

We do think that there's a correlation to bringing out new products and getting excitement. And there's a demonstrated reduction in time they can take by doing cryoSPHERE+ and cryoSPHERE MAX reduces the time even more. So any of those surgeons that were hesitant for time reasons, we've actually tremendously reduced that time, and we think MAX reduces it in half. So we do think that you'll get kind of another boost when we get MAX out the door as well.

We're still severely underpenetrated, even in thoracotomy. We've only been in the market for five years now. So we think that there's a lot of room for growth just in thoracotomies, let alone looking at other extremities in other areas we might longer-term look at.

<<Bill Plovanic, Analyst, Canaccord Genuity>>

So SPHERE has already opened up and penetrated more of the TAM.

<<Michael Carrel, President and Chief Executive Officer>>

You mean the SPHERE+?

<<Bill Plovanic, Analyst, Canaccord Genuity>>

Yeah, SPHERE+, yeah.

<<Angela Wirick, Chief Financial Officer>>

Yeah. We saw great activity within existing accounts in the quarter, as well as a significant number of new accounts. And I think that says, look, even accounts who had already adopted the existing technology were growing their business.

<<Bill Plovanic, Analyst, Canaccord Genuity>>

And then just last question, is MAX, my understanding, another price bump when you come out with a MAX product?

<<Angela Wirick, Chief Financial Officer>>

Correct. Yes.

<<Bill Plovanic, Analyst, Canaccord Genuity>>

Quantify it.

<<Angela Wirick, Chief Financial Officer>>

A couple hundred dollars, the limit are here, I mean, remember the pain management products don't have separate reimbursement. So you're asking practitioner or a surgeon to add time to a procedure and then also cost within the procedure code. Given a 50% reduction in freeze time, we said, look, this is a clear differentiation. We wanted to ask for a price uplift there. The SPHERE+ comes with a benefit to our COGS. So a better margin product, even though we're keeping the pricing the same.

<<Bill Plovanic, Analyst, Canaccord Genuity>>

And then switching to the open ablation business. Just any update on the EnCompass CE mark? And then how should we think about that contributing?

<<Michael Carrel, President and Chief Executive Officer>>

No update to give today, but we do anticipate that sometime this year we will actually get that CE mark. So that should drive revenue. The team's ready prepared, they've been trained on it, they know what – they're ready for the moment that we get that to be able to kind of sell. We've got inventory in place to be able to distribute very quickly from that standpoint. So we're in a really good position on that front. That's obviously a nice price uplift over in Europe as well, once we get that.

<<Bill Plovanic, Analyst, Canaccord Genuity>>

And I think the EnCompass in the U.S. has been surprisingly a lot of longevity to that product in terms of growth and just expansion of usage and adding more docs and more procedures.

<<Michael Carrel, President and Chief Executive Officer>>

And we think the same thing will happen in Europe and eventually in Asia, but obviously starting out with Europe.

<<Bill Plovanic, Analyst, Canaccord Genuity>>

We have about a minute left. What significant products just internationally? You've talked about this. It's like we're going to take our U.S. stuff OUS. What do you have in the U.S. that's not OUS that can be big outside of the EnCompass? Or what markets are you not in that you'll get into with one of the big U.S. products?

<<Angela Wirick, Chief Financial Officer>>

Yeah. Today, the most comparable market to the U.S. is Europe. It has the majority of our products set ex EnCompass, and then the SPHERE+ and the MAX eventually will make their way to Europe as well. Beyond that, every other country is working off a very limited subset of our technology. So we're being very mindful where the opportunities exist, where there's good reimbursement, it'll support, where we've got direct field teams and looking at bringing technology to market that would make sense.

<<Bill Plovanic, Analyst, Canaccord Genuity>>

So I think as we think of international, that can be a 15%, 20%...

<<Angela Wirick, Chief Financial Officer>>

Multi-years growth.

<<Bill Plovanic, Analyst, Canaccord Genuity>>

Multi-year. Just by taking your current existing successful products into some of those markets.

<<Michael Carrel, President and Chief Executive Officer>>

And you've seen it in China. We just got the AtriClip approved in China. We do not have cryo approved in China. That'll be kind of the next leg there, both for cryoanalgesia and eventually for cardiac surgery as well. So that's an example of a very large market. They do 200,000 cases there every single year that we anticipate could be another one of the markets that we kind of approach like that.

<<Bill Plovanic, Analyst, Canaccord Genuity>>

And just last question says financials. Your cash flow positive this quarter, you're guiding to be for the rest of the year. Very nice to see. Congratulations. It's a good spot to be in medtech. How should we think about sustained cash flow positivity? What revenue level is needed for that cash flow plus every quarter?

<<Angela Wirick, Chief Financial Officer>>

We are close. We are very close. If you take a step back 2023, take out a one-time burn, we had about a $10 million burn for 2023. I think you've heard we're very committed to improving, enhancing our profitability. Modest burn is the expectation for full year 2024. I would say we're very close in the coming years to be cash flow positive and we've got a strong balance sheet to be able to bridge to that.

<<Bill Plovanic, Analyst, Canaccord Genuity>>

So 15%-ish, my words, not yours, grower. Cash flow positive 2x EV to sales in medtech, number one in a bunch of your markets. What the heck are investors missing?

<<Angela Wirick, Chief Financial Officer>>

I go for it.

<<Michael Carrel, President and Chief Executive Officer>>

I think they're missing exactly what you just described is that I think they're worried about things that – they worry that competition is going to be an existential threat. And I view competition as enabling and quite frankly, giving us confidence that our markets are really big. And there's only one reason they're getting into it, because it's not for the size of market it is today. It's the size of the market of where it's going. And so investors are very worried about that.

And I view that as complimentary, meaning that they're complimenting us and saying, hey, this is a huge market and these aren't small companies that are going after it. They're not doing it to be in a $50 million market. They're doing it to be in $1 billion market. And so I think investors – and I understand it, they're worried that a big company comes into your space and that they're going to do some sort of pricing or bundling or all those types of things.

But I think what they forget is that we have over 500,000 in that particular case, in our AtriClip we've got an incredibly strong record on both safety and efficacy of the products we have in our market. We've built clinical evidence over many, many years and made many investments, thanks to investors giving us that money that we've put that to work in R&D if you just look at what we've done.

We've also got an incredibly strong field force of over 350 people total in the United States when you include all of our different areas. So we've got coverage in the United States. We're not a small company in terms of just trying to get into a hospital. We've got really good coverage. We're on contract at all these places. And I think that we've got strength, too, from that standpoint. And we've got great products and great clinical evidence to prove it out. So hopefully investors will continue to see that great growth and at some point recognize the fact that this is something that's going to happen for a long time.

<<Bill Plovanic, Analyst, Canaccord Genuity>>

Excellent. Yeah, I think historically we've seen the second player validates the market, the third one validates, the fourth one gets concerning. But right now you're only dealing with the second, so that's good.

<<Michael Carrel, President and Chief Executive Officer>>

The fourth one sometimes never makes it to the market.

<<Bill Plovanic, Analyst, Canaccord Genuity>>

Never makes it, great. I think that's it. Thanks so much.

<<Michael Carrel, President and Chief Executive Officer>>

Thank you.

<<Angela Wirick, Chief Financial Officer>>

Thank you.