



**\$44.5M**

Series C funding in 2019 with Sapphire as a participant.

**\$409M**

Total raised during July 2019 IPO, the largest consumer digital health IPO in history.

**\$18.5B**

Livongo's market valuation as of August 2020, when the company merged with Teladoc, becoming the largest consumer digital health merger in history.

# Livongo and Sapphire Ventures: Partners in Revolutionizing Chronic Condition Management

In 2012, Glen Tullman<sup>1</sup> had just completed a successful run at Allscripts, where he pivoted a fledgling \$30 million revenue company losing \$13 million a year to a profitable company with over \$1 billion in revenues and, perhaps more importantly, the first business that enabled physicians to electronically prescribe medications at scale,<sup>2</sup> saving thousands of lives. While at Allscripts, he also led the company to become the leading provider of physician practice management and one of the first to introduce Electronic Health Records (EHRs) across the market. To top all this, along the way, Glen took the company public. The question was what would be his next act?

A passionate entrepreneur, Glen had been investing in early stage companies since the 1990s with his long-time business partner Lee Shapiro,<sup>3</sup> where the duo increasingly focused on partnering with companies that would address their investment thesis: the informed, connected health consumer. "Our work eventually led to the creation of 7wireVentures,<sup>4</sup> which has become one of the most successful early stage venture firms," says Glen. But Glen's calling was to be an operator, and his heart was focused on finding a cure for his youngest son's Type 1 diabetes.



Glen Tullman, Founder & Executive Chairman, Livongo

So, it was only natural that when Glen was presented with a novel technology that had the prospect of making it easier to stay healthy while living with diabetes, Glen and Lee put up the early capital. Subsequently, Glen jumped in as CEO in 2014 and Livongo<sup>5</sup> was on its way. The goal was to create a new and different kind of experience for people with diabetes. The initial subscription-based offering combined connected technology, cloud-based data science, and 24x7 real-time support with unlimited supplies. In that process, Glen assembled a world class team that brought

together a blend of healthcare, consumer, and technology experiences, which would be essential in modernizing chronic condition management.

From the start, there was demand for Livongo's solutions from large, self-insured employers frustrated by years of increasing costs, and from health consumers who were unhappy with existing solutions. By the time the company raised its Series C \$44.5 million round in 2016,<sup>6</sup> which Sapphire Ventures is proud to have participated in, it was clear that Livongo's solution worked and clients were eager to pay for it. In fact, two days after the company's devices received clearance from the FDA, thousands of orders were placed.<sup>7</sup>

## Sapphire Ventures Invests in Livongo's Vision for the Future of Healthcare

In order to achieve its objectives, it was apparent that Livongo would need to scale and would require capital to do so. That's when Sapphire Ventures became involved. Sapphire Ventures primarily invests in later-stage enterprise software companies, and Livongo was an interesting blend of both SaaS and health.

1 [Glen Tullman: LinkedIn Profile](#)

2 [Inc: Why This CEO Left a \\$2 Billion Company to Go Change the World](#)

3 [Lee Shapiro: LinkedIn Profile](#)

4 [7wireVentures Homepage](#)

5 [Livongo Homepage](#)

6 [BusinessWire: Livongo Health Completes \\$44.5M Funding to Support Growth, Expand Health Platform](#)

7 [TechCrunch: Allscripts Ex-CEO Glen Tullman Launches Livongo Health at Disrupt, Backed by General Catalyst](#)





I always tell entrepreneurs that you can get money from anywhere, but value only comes from a select group of VCs who share your passion and vision—these are true partners. Sapphire has stepped up in every way since day one with business advice, conference invitations, introductions, and perhaps most valuable, helping us recruit the leaders of our executive team. That’s amazing, and that’s the Sapphire team.”

**Glen Tullman**

Founder & Executive  
Chairman, Livongo

“When we first met Glen and started learning about Livongo, we were moved by his mission to revolutionize chronic healthcare using the power of technology,” says David Hartwig, Managing Director at Sapphire Ventures. “Then, we started looking at metrics related to operational performance. Specifically, we wanted to see whether sales were being made efficiently and if customers were demonstrably satisfied with the solution. The numbers were off the charts.”



David Hartwig, Managing Director, Sapphire Ventures &  
Courtnee LeClaire, CMO, Livongo

Sapphire looks for Companies of Consequence, meaning companies that not only have impact, but also have the ability to operate at a very large scale. What made Livongo attractive was that by creating a new and different way to manage diabetes and other chronic conditions, it would have a meaningful impact on individuals’ lives and a massive impact economically by reducing the cost of care—exactly the win-win Sapphire looks for. In addition, Livongo’s sales motion wasn’t just working, it was working well, which is a simple, yet essential element to rapidly scaling a business.

“The traditional advice from VCs to CEOs is to focus,” says Rajeev Dham, Managing Director at Sapphire Ventures. “With Glen, we saw that Livongo was able to tackle

an incredible challenge with a strong focus and drive incredible innovation. His team also understood the whole person and how other conditions were intimately connected. So, we encouraged the team to keep going and not limit themselves.”

Since partnering, Sapphire has provided Livongo with support across business development, marketing, talent, and capital markets. Sapphire’s talent team helped place four major roles for the company. In just a few years, Sapphire helped place Livongo’s Chief People Officer Arnon Geshuri.<sup>8</sup> Since then, Arnon and his team have built Livongo’s company culture, which has a less than 5% attrition rate and a consistent employee engagement score over 80%. Sapphire also helped place Chief Marketing Officer Courtnee LeClaire,<sup>9</sup> SVP Corporate Controller Nerissa Canonizado,<sup>10</sup> and Director of Strategic Finance Shiv Sachdev,<sup>11</sup> who was essential in leading Livongo’s IPO.

In addition, Sapphire’s business development team turned to its enterprise network to make introductions, support contracts, and raise awareness for Livongo’s unique approach to healthcare. Introductions to companies like Phillips 66 resulted in six figure ARR for Livongo. Sapphire also helped Livongo amplify the company’s brand and network, including providing numerous speaking engagements at Sapphire events such as the firm’s annual invite-only CIO Summit and access to Fortune 500 CEO networks via events like SAP’s CEO Summit.

### Livongo Goes Public and Becomes a True Company of Consequence

In the years following Sapphire’s initial investment, Livongo would realize its vision of expanding beyond diabetes care and empowering people with hypertension, weight management, and mental health challenges. After completing its Series C round, Livongo raised two more rounds of funding to further help the business scale, with Sapphire participating in each. When the time was right, in 2019, Glen announced his intention to take Livongo public.<sup>12</sup>

8 Arnon Geshari: [LinkedIn Profile](#)

9 Courtnee LeClaire: [LinkedIn Profile](#)

10 Nerissa Canonizado: [LinkedIn Profile](#)

11 Shiv Sachdev: [LinkedIn Profile](#)

12 Xconomy: [Livongo Upsizes IPO to \\$355M in Bid to Become Netflix of Health](#)



Livongo is a company that started out serving a massive opportunity and has grown into an even larger, consumer-sized opportunity. The company is improving the health and living conditions for meaningful sections of the population, which is an incredible journey to have been part of."

**David Hartwig**  
Managing Director,  
Sapphire Ventures

Livongo's IPO in July of 2019 was launched at \$28 per share. That day, LVGO stock surged 36% to close at \$38.10 a share,<sup>13</sup> valuing the company at \$3.4 billion. In the year following its IPO, Livongo completed a secondary offering, a \$540 million convertible debt offering, and then announced, in August 2020, what Forbes called<sup>14</sup> the largest digital health deal of all time: a merger with Teladoc, valuing Livongo at \$18.5 billion and creating a combined company valued at \$38 billion.



For more information about Sapphire Ventures, visit [www.sapphireventures.com](http://www.sapphireventures.com).

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<sup>13</sup> Business Insider: Buzzy digital health startup Livongo surged in its stock market debut as the 3-year digital health [...]

<sup>14</sup> Forbes: The Biggest Digital Health Deal Of All Time: Teladoc And Livongo