

Randy Peak in Wall Street Journal: 'VC Daily: Digital-Health Startups Face Choices as M&A Deals Heat Up'

February 3, 2022

PRACTICES Healthcare and Life Sciences, Healthcare Transactions and Regulatory, Health Privacy (HIPAA) and Healthcare IT, Corporate, Pharmaceuticals, Mergers and Acquisitions

Acquisitions of digital-health startups jumped in 2021, and some observers forecast another wave of consolidation this year. But startups can still succeed as long-term independent companies, says Steve Kraus, a partner with Bessemer Venture Partners.

Globally, mergers and acquisitions of digital-health companies climbed to 574 last year from 398 in 2020, according to market tracker CB Insights. With the industry maturing there are now more large companies capable of making acquisitions, Mr. Kraus said.

Opportunities for consolidation will continue to arise as companies seek to provide more comprehensive care, Bessemer recently predicted.

Offering a broad suite of services is key for digital-health companies seeking to establish themselves as frontrunners, said [Randy Peak](#), a partner and co-chair of the healthcare and life sciences practice group of law firm Haynes Boone. Acquisitions enable them to broaden their offerings more quickly than building the capabilities in-house, he said.

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