

## Heart Monitoring Stock Making Waves - CardioComm Solutions Inc. (EKGGF)

January 9, 2017 6:30am PST

**Dear SmallCap Network Members,**

Good morning friends and fellow traders, and welcome to the second trading week of the new year! As we mentioned in Friday's edition of the newsletter, we're kicking off the week with a new trading idea we think you're going to love.

Simply put, this company is in the right place at the right time with the right product. *How so?* It melds wearables -- *the hottest of the market's hot buttons right now* -- with medical-grade monitoring technology. To put it bluntly, this outfit does what Fitbit *should* have been trying to do, but didn't. That company is called **CardioComm Solutions Inc. ([EKGGF](#), CVE:[EKG](#))**.



In the interest of time, we chose to give you the abbreviated version of the stock's story, but do know the SmallCap Network has prepared a more robust research report on CardioComm. It'll be available at the site later today.

CardioComm offers several pieces of hardware and software, but its flagship products are the HeartCheck ECG Pen (for consumers), the HeartCheck ECG device (by prescription), and the GEMS software and Smart Monitoring service that allows individuals to keep constant tabs on their heart activity.



In simpler terms, **CardioComm makes pocket-sized devices that can measure a user's pulse, spot arrhythmias, make an ECG (electrocardiogram) recording of that information, store it, and send that information to a data-collection center *or* to that patient's physician, or even to the patient's computer or smartphone, where it can be examined using the company's easy-to-use ECG-reading software.**

No longer will an individual need to see a doctor just to get an ECG reading that may or may not suggest any further action is needed.

As was noted, there are two HeartCheck ECG tools available right now. The ECG Pen can be purchased and used by anyone, while the higher-end ECG monitor requires a prescription (although no prescription is necessary in the EU).

It's not just what's already on the market that makes EKGGF -- or EKG for *Canadian investors* -- such a compelling trading idea right now, however. **It's the products that are in the works**, which include an ECG Card that's powered just by proximity to a smartphone and transmits the recorded data using near-field-communication technology. Also in the works is a wrist-worn band that not only serves as an ECG sensor, but acts like a more traditional fitness band as well. The band communicates with a smartphone via BlueTooth. A few more variations are in the works too, and the company is already marketing a device tailor-made for use in a gym by trainers and wellness advisers.



Folks, this the proverbial "turning of the corner" the wearables/portability industry needed to make. **CardioComm is making it**, surpassing some much bigger competition that just never understood where the health-wearable market was going. See, all of CardioComm's wares and software are (or will be) appropriately approved by the FDA, or whichever regulatory body overseas another country's healthcare markets.

*Oh*, and did we mention the HeartCheck PEN handheld ECG device is the *only* device of its kind cleared by the FDA for consumer use?

To that end, we'd be amiss if we didn't mention one little tiny fact about CardioComm that may well seal the deal for you. That is, **it's already bearing revenue by providing monitoring services and collecting licensing revenue for its GEMS(tm) (Global ECG Management System) software**. It's done about \$1.6 million worth of business over the course of the past twelve reported months, and that's put it near break-even. Much of that is recurring revenue.

No, it's not a *ton* of money, but here's the thing... **it's only been within the past few weeks that CardioComm has gotten serious about driving sales, and many of its planned products aren't even out yet.**

The ECG Card and the ECG Band, for instance, aren't available yet, and those may well end up being the organization's best-sellers. It was only in November the company launched a direct sales force to promote HeartCheck ECG devices to doctors. It was only in October CardioComm unveiled the HeartCheck ECG Sport. And, it was only in September the outfit announced it was going to develop the HeartCheck ECG Card.

**The ECG Card**



There's your edge... most of the consumer market as well as most investors have yet to learn about the company and its products. You're getting in *very* early in the company's high-growth phase. That window's not going to remain open very long though, based on what we've seen thus far. The word's starting to spread.

And make no mistake - there's a heck of a market here.

We were doing a little digging, and came up with some eye-opening figures. The global mHealth (mobile health) market is expected to be worth nearly \$50 billion by 2020. The heart-monitoring space generates more than \$20 billion worth of revenue per year; some say it will be worth \$26.7 billion by 2020. Meanwhile, the fitness market annually generates \$75 billion in sales. The healthcare wearable market was worth \$5.1 billion in 2015, and now that such technologies are being accepted, its revenues could reach \$19 billion by 2020. **CardioComm is at the intersection of all those markets, and even a tiny piece of those markets' overlap would translate into a huge windfall for this \$8.2 million organization.**

Perhaps most important from a timing perspective, though, is the fact that CardioComm is going to put the pedal to the metal (so to speak) in 2017.

The usual cautions and caveats apply, of course - never allocate more to one trade than you can afford to lose, use an entry limit, and then use a stop to protect yourself once you're in a trade. On the flipside, you can't make any money as an investor on the sidelines.

We'll just close with this idea. Some trends are cycled over and over again, while others are a once-in-a-lifetime kind of opportunity. The introduction of smartphones was a one-time-only event. The advent of electric vehicles was a paradigm shift that will never happen again. **We think the rollout of mobile health initiatives -- and mobile ECGs in particular -- is one of those once-in-a-lifetime events that shouldn't be ignored.** EKGGF looks like a great way to tap into that budding market.

Warmest regards,

**SmallCap Network**

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