

The graphic features the words "THE PINK CEILING" in a large, white, outlined font. The text is set against a dark blue background that has a subtle, glowing effect around the letters, making them stand out prominently.

Monday, October 8, 2018

## Smashing the Pink Ceiling Together

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by Sylvana Smith

Serial entrepreneur Cindy Eckert sold her last company for \$1 billion, got it back for next to nothing, is launching a controversial drug that could be the next blockbuster, and is on a mission to make other women equally rich. Never underestimate @cindypinkceo.

### A Pharma Career Wasn't the Plan

At least not at first. As a graduating business major, Cindy Eckert was hell-bent to work for Merck Pharmaceuticals, not because of the industry but because it perennially ranked as a Fortune Magazine World's Most Admired Company. "I wanted to work for the best business out there, and I figured I could take that and apply it anywhere," Eckert said.

She ended up falling in love with the science and how it could change people's lives. She stayed in pharma, stepping to ever smaller companies to be closer to research and development and be heard. In 2007, she started her own company, Slate Pharmaceuticals, which redefined long-acting testosterone treatment for men.

Then she heard about flibanserin, a daily pill that treats low libido in women. Boehringer Ingelheim, the pharmaceutical giant that developed the drug in the 1990s, had given up on it after the U.S. Food and Drug Administration rejected it by unanimous vote.

Eckert contrasted the FDA's ready acceptance of treatments for men while dismissing options for women. She sold Slate, acquired flibanserin (branding it Addyi), launched Sprout Pharmaceuticals—and

kickstarted an improbable David-and-Goliath crusade.

### **A Tale of Two Genders**

The path to FDA approval was a journey marked by gender disparity. For example, while Viagra had been fast-tracked for approval in only six months, Addyi was again rejected by the FDA, even though Eckert had three times as much data. "I had done the work I needed to do, and then I got rejected. That was not a good weekend."

This is the point where most drug makers go away. But Eckert received a moving letter from a woman who had been in the clinical trial. Her marriage and self-esteem were suffering, all the result of a brain chemistry imbalance outside her control. She implored Eckert to continue the fight.

"For women like her to be denied a treatment option was heartbreaking and infuriating," Eckert said. "So, on Monday I showed up in the office and told everybody we were going to dispute the FDA."

It was an audacious move for a tiny company, one so small that all the staff could fit into an elevator, Eckert quips. Could the female chief executive of a newly born startup take on the FDA with any prayer of succeeding in a third attempt at approval?

Yes. In 2015, the FDA finally approved Addyi. Two days later, Eckert sold Sprout for \$1 billion to Valeant Pharmaceuticals and looked forward to seeing Addyi launched worldwide. That was not to be; under its new ownership, Addyi was shelved.

So, Eckert and a group of Sprout's shareholders sued Valeant on the grounds that it overpriced the pill and made little effort to commercialize it. Valeant, which not much earlier had made Eckert a very wealthy woman, handed Sprout and Addyi back in exchange for dropping the suit. Valeant also extended a \$25 million loan to restart the business, asking only for a small cut of royalties from future sales.

For the second time, Eckert had won control of the drug without having to write a check.

"Women with a medical condition deserve access to a medical treatment, not our value judgments on whether or not they need it or the worthiness of treatment," said Eckert. "The science had spoken, and we needed to listen. I wasn't in this to create the next blockbuster drug. I was in it to make sure women have access and get to choose for themselves."

### **Advocating for the Unexpected**

After getting a \$1 billion payday from the sale of Sprout to Valeant, some of Eckert's friends were disappointed she didn't retire to relax on the beach with pink cocktails. You know, live the billionaire dream.

But her struggles to bring Addyi to market—being routinely underestimated along the way—left her impassioned about women's lack of access to mentoring and money in business. "I shouldn't be in a club that's lonely," Eckert said. "I shouldn't be in a club in which so few other women have gotten to exits like mine. I need to get other women there, and I need to get them there faster than I got there myself."

She knew what it felt like to always be unexpected in the room, to navigate a sea of gray suits as a female in stilettos and hot pink. To see worthy ideas sidelined because of preconceived notions. She had seen all that and made it. She also acknowledged how much help she had received along the way

from powerful women—policy leaders and those who bravely spoke to a federal agency about an intensely personal subject.

“I’d had a front-row lesson in what it means for women to advocate for themselves and each other,” said Eckert. “So, my next act was going to be about advocating for an earlier version of me, the young woman entrepreneur who can’t raise money because the system doesn’t give her a chance. Consider that 2 percent of venture capital is given to women. You cannot tell me that 50 percent of the population has 2 percent of the good ideas.”

She resolved to champion for all of the unexpecteds in the room, those who didn’t come from Silicon Valley or didn’t attend the business school with the crowd that had inside access to capital.

So, in 2016, The Pink Ceiling was born.

The Pink Ceiling is a venture capital firm, “pinkubator,” and consultancy with a mission to support women-centric biotech startups that could drive real social change.

“We put our creativity, contacts, and cash to work for cutting-edge concepts and founders,” said Eckert. “The thesis is: Let’s stack the billion-dollar club by smashing the pink ceiling together.” She’s on a mission to make women rich.

It isn’t about the money for the sake of it. It’s about bright, passionate women having access to operational support and capital, so they can bring forward the next generation of advances in health tech. Money provides the freedom to make decisions, invest in what matters to them, and pay it forward again.

### **Only Groundbreaking Business—by or for Women—Need Apply**

Eckert looks for companies that offer a patented breakthrough in health tech, will catalyze some important social conversation, and are unequivocally by and for women.

The ideal founder also has a certain DNA that makes her scrappy. Eckert likes those who are self-made and overlooked by the system at large because they are young, female, or not connected into privileged networks. The first round of partners includes 10 innovators:

- Undercover Colors produces a wearable decal that detects common date rape drugs.
- Fathom produces a wearable biometric sensor that collects and interprets movement data to improve athletic performance and prevent injuries.
- uMETHOD combines big data analytics and medical research to improve outcomes for those with Alzheimer’s disease.
- Seal Innovation’s SwimSafe wearable technology helps prevent drowning, the leading cause of accidental death in children.
- Pursuit Sleep Technology (aka Senzzz) embeds sleep center science into wearable consumer products to reduce snoring and improve sleep quality.
- Lia Diagnostics has created the first FDA-approved, flushable pregnancy test.
- IntuiTap developed the world’s first imaging device to guide a needle for spinal taps, epidurals, and steroid injections.
- Medolac is the only company that provides shelf-stable human milk products for babies in need.
- Renovia created a non-surgical device that addresses incontinence for women by training pelvic floor muscles.
- Sunscreenr makes a handheld device that reveals vulnerabilities in sunscreen coverage.

The relationship with these companies is not just an investment play. “We’re very selective,” said Eckert. “We’re not playing the odds and saying, ‘we’re going to make x many investments; we figure 8 out of 10 of those are going to fail, but we’re going to have two big wins.’ We’re really picking a company to sit alongside. Almost all of them are between a year and three years out from launch, and we’re going to help them get there.”

Partner companies—often led by scientists and engineers rather than business experts—have access to The Pink Ceiling space, resources, and a business team that knows how to build companies. “So much of this is walking back through my own past and what I wish had gone differently,” said Eckert. “Do I wish somebody had told me their experience? Like, ‘I’ve stepped on that land mine, step left. I’ve done that; don’t do it. You don’t need to repeat it.’”

By making early bets on these companies, The Pink Ceiling also builds their credibility. “We raise money through our fund, but you want to bring in other partners with diversity of thought and strategic sense,” Eckert notes. “It helps validate these companies that somebody has already said yes.”

### Changing Perceptions

As an engineering student at Purdue University, Jessica Traver knew she would be one of very few girls in her classes. “I never really noticed or had an opinion on gender bias until I founded IntuiTap and started pitching to physicians, investors, or pretty much anybody. It was just so obvious then that people weren’t taking me as seriously.”

“People say, ‘I never would have expected that you’re an engineer or a company founder. You just don’t look like one.’ And 90 percent of people didn’t get that what they just said is wrong,” said Traver.

Traver is 20-something, five-foot-ten with long blonde waves. “When she walks into the room of a conventional venture capital firm and sits at a board table, she’s already discounted,” said Eckert—too model-like to possibly be an engineer who designed a revolutionary medical device.

IntuiTap’s “stud finder for the spine,” as Eckert humorously describes it, replaces manual palpation and guesswork with a device that uses a heat map to find the right spot and advance the needle by itself. “When Jessica’s company is bought by one of the giants, she will change everybody’s perceptions when the next five-foot-ten blonde engineer in her 20s walks into the room.”

Or consider Bethany Edwards, co-founder of Lia Diagnostics, makers of the world’s first flushable pregnancy test. “Bethany is about four-foot-nothing, little glasses, full of power, and she’s come to really change the world,” said Eckert. “She has masterfully patented a groundbreaking first that will be an interesting conversation starter in women’s health. And I love the idea that it will surprise everybody that it’s Bethany at the helm of this.”

Edwards shares the unifying principle of The Pink Ceiling—women helping women in a big way. “Not only is Cindy investing in women and really encouraging them to lead their companies, but she’s also trying to make sure they have successful exits, so they can, in turn, reinvest in other women. Her candor in wanting to help women get rich is pretty important, because that is one of the only ways you can move the needle on power structure.”

### An Opportunity to Pay it Forward

“I hate squandering opportunity,” said Eckert. “Today, I have an opportunity I never imagined, to get

onto a big stage in front of all of these young women who are rising stars and help them. The privilege is all mine, that they'll wait and ask me questions, and I think, you're further ahead than I was at that same age. So, you've got me beat and then some."

"It's just such an honor to get to do that. We're doing that in a small way, but we're loud about it. We're loud about it so that others will do the same—and so those who come in and get to be part of it also feel their obligation to pay it forward as well."

### **A Decidedly Pink Office**

The Raleigh, North Carolina, office of The Pink Ceiling is strikingly pink. Not "it's a girl" pink. Not cotton candy pink. Not a gentle blush. It's a fierce, hot pink, and so are Eckert's suits. "I wear pink all the time. You should see my closet." It's a declaration about the dismissive way people talked about Addyi as "the little pink pill."

"You can run away from gender stereotypes, but if you're me, you run right toward it," Eckert said. "The idea that there isn't something valuable and unique that a woman brings to the table and in owning her femininity—pink for me is about owning it as a woman, unapologetically pink. I like pink. I'm going to wear it. I started showing up in blazing pink to the FDA and said, 'We are going to have this conversation.'"

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