

# Startup failure story

Tanel Teemusk, 30 of May 2025



## ## The idea 💡

- Secure communication channel (mostly text chat based) between patient and doctor
- For visits where physical presence is not necessary
- Value proposition: save time/money + reduce stigma

## ## The plan

- Start small: HIV+ care (predictable scenarios + sensitive area)
- Expand: other chronic illnesses with repetitive interactions
- Get approval: Estonian health fund (tervisekassa) legitimacy
- Scale: make digital appointments standard in e-Estonia

## ## The team

- CEO: Young, ambitious, well-connected, great communicator
- CTO: That's me
- 2 MD's: HIV+ specialists
- 1 Patient
- Result: Strong, experienced team

## ## How it started

- Tehnopol hackaton (2016)
- Prize pool: €70k -> WE got €30k, another team €40k
- Should have given it to the other team (both handicapped)
- Big win: Excellent press coverage

## ## Product development 🧑‍🔧

- Built MVP with hired UX designer
- Partner dev shop (€25k budget, €5k held for marketing)
- Great analyst helped document everything
- Success: Real pilot with doctors/patients (mid-2017)
- More hospital departments wanted in
- Problem: Unexpected dev costs over budget

## ## Fundraising 💰

Started fishing for investment to cover dev costs

### ### Investor 1: Healthcare alliance

- Powerful healthcare companies
- Favored us due to real MDs on team
- Many meetings, promises
- Result: No signed contracts



### ### Investor 2: Angel Investor 🧚

- High-profile through our incubator
- Milestone-based investment approach
- We hit milestones → new conditions appeared
- Result: Moving goalposts

### ### Investor 3: Fresh Exit 😈

- Ready to invest for market fit
- Condition: Remove team member
- Buyout attempt failed → team conflict

## ## The Result

- Time passed: Broke, team in turmoil
- Survival mode: Won more hackathons (Prototron, others)
- Problem: Hackathons diverted focus
- Personal cost: Burnout, financial ruin
- Team: Lost enthusiasm
- Outcome: Quit after 3 years

## ## Lessons learned 🎓

- Medical field = ultra-slow innovation
- Government = even slower
- Product-market fit needs time + money
- Plan expenses carefully - austerity is key
- Stay focused - ignore VIP distractions
- Ignore outside advice - they don't know your market
- Enthusiasm fades - plan for it
- Bootstrapping is brutal
- Don't waste time on false investor hope
- Protect your team - it's sacred
- Market need  $\neq$  guaranteed success
- Learn to ask for money quickly
- Stay sane

## ## Where I Am Now 🎢

- Still hustling: Living paycheck to paycheck
- Still grinding: Working crazy hours to pay bills
- Getting smarter: Learning self-care and preservation
- Still naive: Letting startup CEOs talk me into things
- Still giving: Too much free work "for my own companies"
- Still failing: A lot
- Still learning: Even more
- Bottom line: It's been (and still is) one hell of a ride 🚀

Thank you 🙏

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