THE PROBLEM

The market keeps building better tools. Nothing connects them.

Better CPAP machines, smarter oral appliances, refined surgery. Each one is open-loop — none connects to the next, so patients fall through the handoffs between them.

84M[1]

American adults have obstructive sleep apnea. **About 80% don't know it.**

68.5M[2]

have **never been diagnosed.**

34%[3]

CPAP non-adherence, **unchanged over 20 years.** 63% discontinue within one year.

That's the problem.

HERE'S HOW WE SOLVE IT

We close the loop.

Consistent sensing, a scoring standard, intelligent routing, therapy, and outcome capture that re-scores each patient and sharpens routing for everyone who comes next. Six stages, one connected system that doesn't exist in the market today.

01 · SENSE

Any phone becomes a sensor

Somnus Sleep™ + BSA™ acoustic engine. Zero hardware to enter the funnel.

02 · SCORE

Somnus Index™

A breathing wellness score — the standard that travels with the patient.

03 · ROUTE

Intelligent routing

The right patient to the right therapy. Roadmap capability on the device-software track.

04 · THERAPY

HYPNARA™ · MORPHEX™AI

From a 20-minute in-office implant to a smart oral device with on-device analytics.

05 · OUTCOMES

Real-world evidence

Adherence, score change, patient-reported experience — the layer today's open-loop market never captures.

06 · RE-SCORE

The network learns

Every outcome sharpens routing for the next patient. The moat compounds.

We are building the loop.

HERE'S HOW WE MAKE MONEY

Three revenue engines.

Recurring software and device subscriptions out first, a high-margin procedure behind them, and data expansion later. The app qualifies candidates at near-zero acquisition cost; the procedure monetizes the high-signal tail.

01 · RECURRING

~$50–60/yr

Subscriptions — app & device

Somnus Sleep™ consumer MRR, live in real-world testing now (~$22M realized ARR at base — ~$37M nominal at ~60% collection). Out first. MORPHEX™AI adds device plus an RPM/data subscription — the recurring engine, and the Series A headline.

02 · PROCEDURE

88% GM

HYPNARA™ implant

$2,500 ASP, in-office. High-margin clinical revenue, post-clearance (the ~2-year study gates it). The wedge that funds the loop.

03 · EXPANSION

Roadmap

B2B & real-world data

Employer / payer access and de-identified outcomes data. Later layers, built under counsel.

MORPHEX™AI competes on the AI decision layer and an adherence / RPM revenue loop, not undifferentiated oral-appliance hardware — staged post-clearance and funded on the Series A, not this round. Provider-directory and routing economics stay roadmap-under-counsel.

HERE'S HOW BIG IT IS

Two markets, one funnel.

The app reaches the sleep-concerned population at near-zero acquisition cost and qualifies candidates; the procedure monetizes the tail. We lead with what's serviceable and capturable, not the ceiling.

Somnus Sleep™ app

US · ~$50/yr subscription

SOM · YR 3–5 — **~$37M**

nominal/yr — ~$22M realized at ~60% collection (base ~750K subs)

SAM — **~$2.5B**

~50M snoring / sleep-concerned adults

TAM — **~$12B**

US smartphone adults — outer bound

HYPNARA™ procedure

US · $2,500 ASP · snoring + mild-to-moderate OSA

SOM · YR 3–5 — **$175–250M**

per year — under 1% of SAM,* ~70–100K procedures (execution-gated)

SAM — **~$30B**

~12M — CPAP-failed OSA + primary snorers

TAM — **~$170B**

size-of-problem ceiling

Beyond this round — the two leading OSA therapies today are CPAP and oral appliances (MADs). MORPHEX™AI enters that oral-appliance segment (~$0.5B → ~$0.8B by 2030, ~10%/yr) and layers a recurring RPM/data subscription on the same patient population. Named here; sized in full on the Series A deck — not part of this raise.

Snoring is cash-pay (quality-of-life, not reimbursed) — a margin and decision-speed advantage; the OSA indication is the reimbursement path. Pillar validated this exact dual indication clinically, then vacated the market for portfolio reasons — leaving the white space. Figures are planning estimates; the load-bearing sensitivities are HYPNARA reimbursement and app conversion. *SOM is under 1% of the serviceable population per year — gated on clearance, provider adoption, and OSA-side reimbursement. Recurring revenue is shown net of ~60% collection (churn + failed payments, category-standard; software-only churns harder than hardware/RPM); the ~$37M nominal app SOM is the ceiling.

DEFENSIBLE AND CAPITAL-EFFICIENT

The economics behind

HYPNARA™

Unit economics on the structural implant — the wedge that funds the loop.

88%
Gross margin target

$2,500
ASP (average selling price)

$300
COGS per unit

6 / 136 U.S. patent applications / claims filed (EIP-verified) — the company-wide IP moat across closed-loop architecture, scoring, routing, and sensor fusion.

HERE'S HOW MUCH WE NEED

$2.5M first close

Of a $3–5M raise at $20–24M pre-money. 24-month runway to FDA clearance and Series A readiness. Single entity, SAFE, 10–12 weeks.

HERE'S HOW WE SPEND IT

Three buckets, dollar-anchored.

01 · FIRST OUT

$0.7M

Product & software

Somnus Sleep™ launch, the acoustic engine (built largely in-house, with a small contract for final acoustic tuning), and the platform build. First to market.

02

$1.3M

HYPNARA™ & clinical study

510(k) clinical study (FDA-confirmed at the May 7 Pre-Sub) + CRO + FDA counsel + manufacturing to market. The largest line — finalizes after the CRO scoping meeting.

03

$0.5M

Moat & network

IP filings (EIP), provider-directory seeding, and founder/ops runway across 24 months.

These three buckets are your four milestones collapsed: Somnus Sleep (A) → HYPNARA + study (B) → IP-moat + provider network (C + D), summing to the $2.5M first close. The heavier manufacturing scale-up draws on later tranches of the $3–5M. Dollar amounts finalize once the CRO estimate and a monthly burn number land. Maturity reflects build status, not accumulated usage.

/0.6

HERE'S WHO WE ARE

This is who we are.

We're building the closed-loop data network for upper airway care — connecting every signal so no patient is lost to a handoff, and making the whole system smarter and more affordable as it grows. We intend to set the standard. Not the loudest, not the first to ship a gadget — the best at the thing that actually matters, and proving it with clinical efficacy rather than claiming it.

We respect expertise. We tell the truth about what's built and what isn't. We earn trust the slow way, because it's the only way that holds.

You don't have to agree with how we work. But if you do — if you want the best solution, done the right way — there's a place for you here.

THE ROOM WE'VE BUILT AROUND THIS

Who's behind it.

A senior advisory bench across FDA, IP, corporate, and clinical — engaged on the work, not nominal.

Jeffrey K. Shapiro

FDA COUNSEL

Partner · FDA & Life Sciences — King & Spalding LLP

Amy Salmela

PATENT COUNSEL

Partner · U.S. Patent Attorney — EIP

John R. McDonald

CORPORATE COUNSEL

Shareholder · Chair, Startups & VC — Godfrey & Kahn, S.C.

Agustin J. Arrieta, MD

CLINICAL ADVISOR

Otolaryngology / Sleep Medicine · HYPNARA™ candidate-evaluation reference

Mike Kremkau

STRATEGIC ADVISOR

Industry veteran

Let’s build the loop.

“On any full clinic day, I see three to five patients presenting with snoring concerns — sometimes more. The demand for a single-procedure palatal solution is steady and underserved by today's options.”

— Agustin J. Arrieta, MD · Otolaryngology / Sleep Medicine

Building the team. The first close funds a full-time commercial lead plus fractional regulatory, finance, and growth, and brings the founder onto payroll — deliberately lean to FDA clearance, with the core team scaling on the Series A.

Book a 10-minute call

Pick a time that works

Email Matt

mcronin@somnustech.ai

Download the deck

PDF

1 · Sönmez et al., Respiratory Medicine 2025;248:108348 — 84M US adults with OSA (32.4%, 2024 data).
2 · Watson et al., SLEEP 2025;48(Suppl 1):A278 (Abstract 0637) — 68.5M of 85.6M undiagnosed (~80%); 63% discontinue PAP or fail Medicare adherence at one year.
3 · Rotenberg et al., 2016 — CPAP non-adherence 34.1%, unchanged 1994–2015.
4 · Market figures are planning estimates from published sources (Respiratory Medicine 2025, AASM, Inspire 10-K, Precedence/Grand View, RevenueCat 2025); two biggest sensitivities are HYPNARA reimbursement and app free-to-paid conversion.