

**FOR IMMEDIATE RELEASE**

## **Alliance Health Networks Closes \$3.3 Million Financing led by Highway 12 Ventures**

**SALT LAKE CITY** – September 16, 2009 – [Alliance Health Networks, Inc.](#) today announced that it has closed a \$3.3 million Series C Preferred Stock financing led by [Highway 12 Ventures](#). [EPIC Ventures](#), Series B lead investor, also participated in the Series C round along with other leading Internet and healthcare industry angels. Alliance Health has now raised a total of \$6.6 million in venture capital.

Since 2006, Alliance Health has been focused on building the tools and platforms necessary to create a universe of health-related social networks, each focused on specific diseases and health interests. Its first property, [DiabeticConnect.com](#), has more than 50,000 registered members and is now the largest online social network for people living with or treating diabetes.

“There are approximately 125 million people in the United States today who suffer from one or more major diseases or medical conditions, ranging from diabetes to sleep disorders and from obesity to cancer,” said Phil Reed, general partner with Highway 12 Ventures. “Clearly we as a country have serious challenges when it comes to healthcare, and that’s what intrigued us about Alliance Health.

“Here’s a company that is able to infuse the power of social networks directly into online communities of fellow sufferers, caregivers and healthcare providers where they can share stories, ideas, and information and literally help one another manage their health issues. Social networking can be transformative for patients specifically and for the healthcare industry generally. We’re very excited to invest in Alliance Health to help them take what they’ve developed with [DiabeticConnect.com](#) and extend their powerful social networking platform to other chronic diseases and health conditions.”

The numbers of Americans who suffer with a serious chronic medical condition or disease are staggering. For example, the Centers for Disease Control reports that

- [More than 23.6 million Americans have diabetes,](#)
- [More than one-third of all American adults are obese,](#)
- [Heart disease is the leading cause of death in America](#) and affects 80 million Americans
- In chronic pain, [more than 31 million Americans suffer from osteoarthritis, rheumatoid arthritis or gout,](#) while
- [Approximately 11.3 million adult Americans were diagnosed with COPD in 2007 alone \(chronic obstructive pulmonary disease, including chronic bronchitis and emphysema.\)](#)

“Whenever someone is afflicted with a major disease or health condition, it’s never just that person who is affected,” Alliance Health CEO, Stead Burwell said. “It’s their loved ones and the many providers that care for them. There is typically an extended community of individuals, service providers, and products each driven by one person’s health condition.

“We see our role at Alliance Health to be the leader in building and maintaining a trusted authentic place that is the linchpin in facilitating an online community of conversations, connections, and information exchange that we call a ‘social health network.’ We strive to bring each of the affected parties together: obviously the individuals with medical conditions and caregivers, but also the providers of related services and products. When that happens, we’ve found that the sum of the experience, expertise and support is greater as a whole than as individuals working the vast system on their own.”

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“Healthcare is one of the biggest issues facing America today,” Burwell said. “Our goal is to use the power of the social health networks to unite people who are each struggling with health conditions. When it comes to taking care of ourselves or our loved ones, we strive to empower consumers by making it easier than ever to engage with others who are dealing with the same problems or who have faced such challenges before. We’ve seen tremendous consumer value proven over and over again during the past year with DiabeticConnect.com, and we expect to see similar results as we launch new social health networks in the coming year.”

Alliance Health will use the proceeds from this financing to accelerate growth by launching several new social health networks during the next 12 months. Additionally, the company will expand its outreach to companies interested in engaging more authentically with its customers.

#### **About Highway 12 Ventures**

Highway 12 Ventures is a leading early-stage VC fund investing in high-growth, entrepreneurial companies in the Intermountain West. With over \$100 million under management, it is Idaho’s largest venture capital firm. Highway 12 Ventures is part of the Village Ventures nationwide network of venture capital funds. For more information, call (208) 345-8383 or visit [www.highway12ventures.com](http://www.highway12ventures.com).

#### **About EPIC Ventures**

EPIC Ventures, founded by Zions Bank, is headquartered in Salt Lake City, Utah. EPIC’s philosophy is to search out best of breed technologies and invest in those companies with the management and market to achieve explosive growth. EPIC looks to back visionaries and proven leaders with our capital, time, and resources. For more information, call (801) 524-8939 or visit [www.epicvc.com](http://www.epicvc.com).

#### **About Alliance Health Networks, Inc.**

Alliance Health is building a universe of social health networks that unite individuals and market participants online in communities focused on health conditions. Its first social health network, DiabeticConnect.com, has attracted the largest online population of people living with or treating diabetes. Investors in Alliance Health include [EPIC Ventures](#), [Highway 12 Ventures](#), Levinthal Capital and [Nautilus Ventures](#), among others. For more information, call (801) 355-6002 or please visit [www.AllianceHealth.com](http://www.AllianceHealth.com) and/or [www.DiabeticConnect.com](http://www.DiabeticConnect.com).

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#### **Alliance Health Networks Contacts:**

David Pollitis, 801-523-3730(w)/801-556-8184(c), [dpollitis@politis.com](mailto:dpollitis@politis.com)