

Heartflow woe after Spac backtrack



[Elizabeth Cairns](#)

Heartflow's merger with Glenview Capital's blank cheque group Longview Acquisition Corp II, intended to create a public company worth \$2.4bn, is off – and the culprit might be Covid. Back in September Heartflow, which makes imaging technology for diagnosing heart conditions and planning cardiac procedures, cut its full-year 2021 revenue forecasts. Citing “market disruption and uncertainty” owing to the then-prevalent Delta variant, Heartflow said it expected sales of \$36-42m, down from the \$42m figure it had given in June. Longview immediately demanded that Heartflow “undertake a thorough analysis of its financial projections”, but it seems that the two parties [could not agree on Heartflow's valuation](#), and on Friday called the merger off. Longview now rejoins the sizeable pool of Spacs hunting for a target; Heartflow's strategic plans are not clear, though with a couple of [guideline](#) and [reimbursement](#) decisions going the right way for the group it might be able to weather the hit from Covid for now. Since mid-2020, 21 Spacs have closed acquisitions of medtech groups, with a mean time to close of five months. Of the five deals that remain open, one – that for the Israeli robotic surgery group Memic Innovative Surgery – has taken longer than that average.

How long is too long? The open medtech Spac deals

Target	Spac (main backer)	Focus	Time since announcement (months)	Close expected
<i>Open...</i>				
Akili	Social Capital Suvretta Holdings Corp I (SCS Sponsor I)	Digital health	0.4	Mid-2022
Suneva Medical	Viveon Health Acquisition Corp (Viveon Health LLC)	Aesthetics	0.9	H1 2022
Accelus	CHP Merger Corp (Concord Health Partners)	Spinal surgery	2.8	Early 2022
Prenetics	Artisan Acquisition (Artisan LLC)	Diagnostics	4.8	Q1 2022
Memic Innovative Surgery	Medtech Acquisition Corp (Medtech Acquisition Sponsor)	Robotic surgery	5.8	Not given
<i>... And terminated</i>				
Heartflow	Longview Acquisition Corp II (Glenview Capital Management)	Cardiovascular	6.7 (to termination)	N/A

Spac=special purpose acquisition company. Source: company statements.

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