

California entrepreneurs team up to improve physical therapy

By Rob Senior

It would be a stretch to say Kate Grace, PT, OPA, and Annie Fonte met by accident, but their business partnership certainly had an unconventional beginning.

As the founder of Kate Grace Physical Therapy (KGPT), Grace was going through some hard times in the early 1990s with the advent of managed care. It was around this time that she made the acquaintance of Fonte, at the time a recent Harvard Business School graduate.

Fifteen years later, the two women are business partners not only at KGPT, but have also co-founded two other companies dedicated to the rehabilitation industry and physical therapy in particular.

Their efforts have been lauded throughout the industry—and beyond. Kate Grace Physical Therapy was recently named one of the Top 50 Women-Owned Businesses in San Diego, while Fonte was nominated as one of the Top 100 "Women Who Mean Business" in San Diego.

The Beginning

Grace founded Kate Grace Physical Therapy in 1985 as a progressive rehabilitation clinic treating a wide variety of patients with acute and surgical orthopedic injuries, postural dysfunctions and athletic and industrial injuries of the spine and extremities.

For the first few years, the company enjoyed enormous success as Grace applied her knowledge from previous work at the Children's Hospital in San Diego and from supervising the PT Clinic at the 1984 Olympic Games in Los Angeles, where she and her staff treated more than 100 athletes per day.

But the 1990s brought about managed care and trouble for many enterprising physical therapists. Grace was not immune from these tough times, and was considering selling the company and going to work for someone else when Fonte came along.

"My mom went to the same church as Kate's parents," recalled Fonte. "I had just moved to San Diego, and my mom was concerned that I didn't know anyone. So I got in touch with Kate, and we met up one day."

Aside from their parents' friendship, the two women shared an interest in business and in the health care industry specifically. When they first met, Fonte volunteered to take a look at the value of the company in preparation to sell.

Some time later, Grace called Fonte saying she wasn't sure she wanted to sell after all. Rather, she wanted to hire someone to run the business end of her operation, leaving Grace free to concentrate on physical therapy.

"I told her it was a good idea, but it was too expensive an option for her," said Fonte.

So Grace cut to the chase—she wanted to hire Fonte for the position.

Admittedly, Fonte didn't know much about physical therapy, but she also didn't know if she wanted to move to Atlanta—which the job she held at the time would have required. So she told Grace she'd give it a year to see if they could turn the practice back in the right direction.

"The good news is, we got it turned around!" concluded Fonte. That's the good news, but not the only news. The duo has accomplished far more.

Creating OrthoRx

Some time after partnering in business, Fonte began experiencing symptoms of patellofemoral dysfunction—a condition with which Grace is all too familiar, having dealt with it since age 12. Grace has since undergone eight knee surgeries and years of rehabilitation.

"At that point in time, taping was the most advanced treatment method," recalled Fonte. "But I didn't like the tape at all—it was very confining and as an active athlete, it was a very uncomfortable method."

Fonte bluntly told Grace that she considered the treatment method "terrible." As a result, the women got started on what would become their first invention—the OnTrack System.

Largely recognized as the only system or device that realigns the patella and returns joint anatomy to normal, the OnTrack System is a unique, non-surgical method for the management of patellofemoral dysfunction.

The invention of the OnTrack System led to Grace and Fonte establishing OrthoRx, Inc., a research and development company dedicated to the design and implementation of needed products to assist in the treatment of various orthopedic conditions.

Their next product was an infant carrier, ergonomically designed to be hands-free to assist in maintaining correct posture while holding or carrying small children. This led to the development of the PostureRx™ software program, a web-based tool developed for clinicians within the health care industry. "All of this was developed under the umbrella of OrthoRx," Fonte clarified.

By 1995, Fonte and Grace were going around the country, informing physical therapists and other professionals about the OnTrack System and OrthoRx in general. In doing so, they realized just how limited knowledge was when it came to patellofemoral dysfunction. As a result, they founded OrthoEd, an international continuing education provider.

"We developed a 10-hour continuing education course, and traveled literally around the world teaching patellofemoral dysfunction treatment methods to medical professionals ♦ PTs, ATCs, PTAs, and some family practice doctors."

This was followed by the development of ProfitRx. A consulting company designed for small businesses ♦ particularly those in the health care field ♦ this project was a solo venture for Fonte. Since founding the company, Fonte has taught her one-day course, Creating the Ultimate Private Practice, at APTA events among other conferences.

Finally, Fonte co-founded Snap-Saver, LLC with two partners in 2002. The company was formed to manufacture, market and sell innovative lines of food storage containers. Grace is one of the company's investors.

The Process

Between all their business ventures, Fonte and Grace have collaborated to invent six different products. Starting with the OnTrack System, the duo has learned more about the invention process with each product.

"That's where Kate's knowledge of anatomy and physiology, as well as her being a patellofemoral patient herself came in handy," said Fonte. "We were attempting to get to the cause of patellofemoral dysfunction."

In most cases, the cause is a malaligned kneecap. By putting the kneecap back into proper alignment with the joint, the physical therapist would be able to concentrate on strengthening the quadriceps muscles in order to keep the kneecap in place.

"To accomplish that, we knew we'd need a piece to attach to the kneecap, as well as a mechanism to move the kneecap back where it belongs," said Fonte.

In addition, they developed a tape patch with neoprene sleeves. A separate strap connects to the posterior of the brace, holding the kneecap in place.

This was followed by the creation of a patient education video. "It was important to us that anybody with this dysfunction understood what it was, what caused it and how our treatment method could help them," Fonte said.

The process taught Fonte and Grace to look at situations in everyday life related to people taking care of their bodies. For example, she spent a day with a friend who'd

recently given birth, and noticed how awkward it was to carry the baby for a whole day. This was the inspiration for the infant carrier they would ultimately develop. Designed in the shape of a peanut, it allows parents to hold an infant closer to their bodies.

Traveling to spread the word about their products led to many hours spent in airports, where the women noticed the epidemic of poor posture among travelers, and went about developing the PostureRx program. "We wanted to develop something that would allow PTs to make sure their patients were aligned properly," she said. "That's all about posture."

Fonte said she is most proud of how the inventions have improved the quality of life for literally thousands of people. "Once you take someone's pain away, it's a relief throughout their entire body," she said.

It's one thing to help people, but another to see all the people you've been able to help. Fonte added that she and Grace hope to see other PTs follow in their footsteps. "We want to encourage physical therapists to come up with ideas," she said. "They're the ones with patients in front of them each day, and they have the expertise to develop these ideas. We've offered to help them with the patent process, explaining costs, etc."

The most disappointing thing for Fonte was after all the work put into the development of the OnTrack System, the perception in the physical therapy world was that she and Grace were out promoting themselves for selfish purposes. "I think that's discouraging to people who might otherwise go out and do the same," she said. "It's important for these therapists, who are on the front line every day, that they are encouraged to come up with ideas that are more efficient for treating their patients."

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