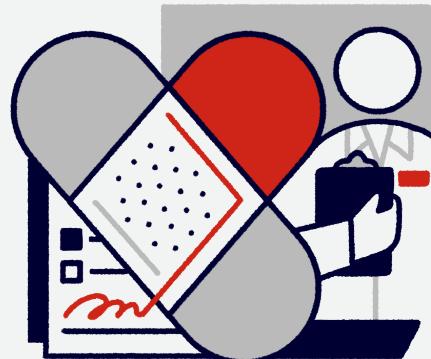




BREATHING LIFE INTO R&D SAVINGS: HOW VOCXI HEALTH SCALED SMARTER



Spun off from a global medical device leader and a world-class research university, Vocxi Health is the innovator of MyBreathPrint®. This noninvasive, early disease detection system provides accurate results with just one minute of breathing to detect cancer, neurological disorders, the presence of poisons and other illnesses. This breakthrough technology is currently being utilized in a clinic that is a world leader in cancer research and treatment.

As CEO of Vocxi Health, Ping Yeh sets the vision and strategy for the company and its culture, ensuring that he has the right people, processes and technology in place as the company scales. We recently spoke with Ping about his experience with ADP SmartCompliance® for Tax Credits.

BUSINESS CHALLENGES

- Lack of processes in place to identify R&D activities and any associated tax credits
- Needed assistance to identify as many tax credits as possible



Company: Vocxi Health
Industry: Health care
Employees: 10
Headquarters: Arden Hills, Minnesota
ADP Products: ADP SmartCompliance® for Tax Credits
Interviewee: Ping Yeh, CEO

VOCXI
Human Breath Intelligence



Vocxi Health, the innovator behind MyBreathPrint®, maximized approximately **\$220 thousand in R&D tax credits** with ADP SmartCompliance for Tax Credits, fueling growth and innovation through a seamless, results-driven solution.

DECIDING IT WAS TIME FOR A BETTER APPROACH TO R&D TAX CREDITS

Before implementing ADP's tax credit solution, Vocxi relied on its accounting firm to identify and quantify the tax credits to which Vocxi was entitled. Understanding that Vocxi was a young company, likely engaging in many tax credit activities, ADP approached Ping about looking at ADP's solution for identifying and verifying R&D tax credits. "I saw a lot of alignment between ADP's and Vocxi's interests in finding as many R&D tax credits as possible," Ping said. "We wanted to save money, and ADP was compensated based on finding those tax credits, so it was in both of our best interests that they did a thorough job."

A SEAMLESS AND SENSIBLE SOLUTION THAT VOCXI COULD GET BEHIND

The accounting firm that Vocxi uses charges by the hour for its services related to uncovering eligible R&D tax credits, while ADP is compensated based on the tax credits it actually finds. It made sense to Ping that this put the onus on ADP to find as many eligible tax credits as possible, which worked out better for both companies. "ADP offered an R&D tax credit solution that easily integrated with our other ADP system," Ping said. "ADP also had a better way of integrating those credits back into our company."

Ping's conversations with ADP were simple and easy. He answered questions about where he was spending R&D dollars, and ADP then provided him with a report. "What surprised me most about ADP's offering was that the information needed to generate the report was very easy and the process was seamless," Ping said.

RESULTS THAT DEMONSTRATED PROVEN ROI

After ADP investigated what constituted eligible activities for the R&D tax credit, Vocxi received approximately \$150 thousand in federal tax credits and another \$70 thousand in state credits. These tax credits in turn gave Vocxi more working capital. "We can extend our runway as a startup and open up more opportunities with the money we're saving," Ping said. Ping is extremely satisfied with the level of service he receives from ADP. He claims it's easy to get the answers to any questions he has simply by calling customer service, which can point him in the right direction and answer questions quickly and knowledgeably. In terms of recommending ADP SmartCompliance for Tax Credits to his peers, Ping said, "The whole process with ADP is easy and seamless. I'm no longer paying for this service by the hour, but instead paying based on the eligible credits that ADP identifies."

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— **Ping Yeh**
CEO, Vocxi Health