ALPHATEC HOLDINGS' PRODUCTS LACK INNOVATION AND LOSSES ARE GROWING ($3 TARGET, 50% DOWNSIDE)

January 31, 2020

RESEARCH SUMMARY

Alphatec (ATEC) is up 400% over the past year based on 12 new spinal implant product offerings that we show are flawed and are mostly copy cats of the competition.

ATEC's new CEO, Patrick Miles, is alleged to have blocked Nuvasive (while working there as an executive) from buying Alphatec, calling it a "waste of time".

To capture customers, ATEC has SG&A expense growing faster than revenues, which is unsustainable.

Insiders have sold $2M worth of stock in 2019, mainly by ATEC's legal counsel while the company is in patent lawsuits.

With questionable products and leadership, we give a $3 price target to ATEC.

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