



The result of a three-year investigation, “The Dropout” is a 6-part ABC News podcast chronicling the unbelievable rise and fall of Elizabeth Holmes, the college dropout turned founder and CEO of healthcare technology company Theranos. The company, once valued at nearly 10 billion dollars, came crashing down amid accusations of massive fraud. Holmes, the youngest female, self-made billionaire, lost everything and now faces up to 20 years in prison. The three-member, all-female ABC News team worked tirelessly, conducting over 100 interviews with key players at the heart of this story, including employees, board members, patients, and investors. They gained access to tens of thousands of pages of deposition transcripts, excerpts of which were aired publicly for the first time in this podcast, exposing the truth, rather than the carefully crafted image Holmes had presented to powerful board members, patients, and the world. “The Dropout” sought to unmask the very real dangers of hubris in Silicon Valley and the healthcare industry. The team hoped to expose the layers of this elaborate, multi-year fraud in a clear and impactful way in order to influence how these cultures might be perceived and governed going forward. The podcast has spent weeks at #1 on the Apple charts, reaching more than 13 million listeners at this writing. It was adapted into a 2-hour video documentary, as well as a forthcoming scripted series to air on Hulu.

The team behind “The Dropout” sought to go beyond the eye-catching headlines in order to illustrate the devastating impact Holmes’s and Balwani’s alleged fraud had on the real lives of Theranos’s employees, everyday investors and nearly 200,000 patients. Everyday investors like Eileen Lepera had their life-savings wiped out; patients like breast-cancer survivor Sheri Ackert had a false Theranos test which left her oncologist fearing she’d had a cancer relapse; and employees like Theranos chief scientist Ian Gibbons, faced what his widow recounted was a culture of bullying and threats that she believes contributed to his spiraling depression and ultimate suicide. The team additionally sought to shed light on the dangers of Silicon Valley’s “fake it ‘til you make it” culture that thrives on the success of outside perceptions while insiders are exposed to an alternate reality.

The team chronicled over a decade’s worth of attempts from inside the company -- from employees, to board-members, to lab workers and consultants -- to expose the dangers that Theranos was potentially posing to the public and how, unbelievably, these red flags were systematically ignored. The podcast urges experts and the public alike to look beyond the carefully crafted images on magazine covers and Ted talks, for the truth behind the glossy facades of too-good-to-be-true Silicon Valley narratives.

Through over 100 interviews -- both on and off the record -- with individuals involved at every level of this complex story, the team sought to explain the anatomy of this alleged fraud through the people that were closest to it. Reporting the story of Theranos was challenging. Many employees had signed non-disclosure agreements and feared retribution for speaking out about the problems they saw at the company. “The Dropout” team was able to find many sources within the company who grew to trust them

with sensitive information including internal company documents and photographs that became integral parts of reporting the rise and fall of Theranos.

Additionally, *The Dropout* was the first outlet to air the highly revealing deposition tapes of CEO and founder Elizabeth Holmes, President and COO Sunny Balwani, whistleblower Tyler Shultz and a number of lab workers and board members. These testimonies exposed the inner-workings of Theranos and the deep and elaborate fraud Holmes and Balwani are accused of perpetrating. After accessing the tapes through a confidential source, the producers worked with legal counsel at ABC News to acquire the material in a manner that followed strict news practices and journalistic standards and then scoured thousands of pages to unearth the real story behind the narrative that had heretofore been presented to the public.

Through this sourcing, the team showed Holmes -- once the outspoken CEO with all the answers -- telling investigators, more than 660 times under oath, that she didn't know or couldn't recall key details of her own company's conduct. Her carefully crafted narrative unraveled as she admitted to investigators that she'd lied to reporters about her technology and had misled investors, patients and board-members alike about her use of third party machines, the number of tests her device could do and its use in military and hospital environments. Texts and emails between CEO Holmes and COO Balwani further shed light on what they were brazenly hiding, while lab workers systematically outlined how they were encouraged to bury damning information at the expense of patients and were subject to ruthless intimidation tactics.

In addition to the never-before-aired deposition testimony and newly unearthed statements from Holmes and investors like Don Lucas, the team secured exclusive interviews with a number of key players in the story, including patients, employees, investors and attorneys on both sides of the case. The team prepared extensively for each interview. In the interview with Mr. Balwani's counsel, for example, host Rebecca Jarvis held him accountable in real time, often leaving him at a loss for words when confronted with specific examples from his defendant's own deposition testimony. One reviewer said, "Jarvis's genuine grilling of Theranos investors and lawyers is thrilling, and offers a glimpse into the years of patience and follow-through that ultimately revealed Theranos on the reporting side."

This podcast was a unique undertaking within ABC News and this streamlined team forged ahead against many constraints and obstacles for a medium that had not yet been fully explored within the network's infrastructure. Upon its success, the podcast spawned a two-hour ABC documentary (which we have included with our submission as supplemental content) and a first-of-its-kind theatrical deal with Fox Searchlight. Through word of mouth and reviews, the Financial Times pointed out that the series had soared to reach "the upper reaches of the podcast charts in the US, UK, Canada and Australia. Some critics called "The Dropout" the most talked about podcast of the year so far, with one saying it "should be a guide for other mainstream outlets trying to navigate their way into limited series podcasting." Its example has been cited by ABC News President James Goldston as a model for a new era of investigative podcast reporting at the network.

It is with great pride that we submit "The Dropout" podcast series for your consideration.