
Client Spotlight on EMBR Labs

NOVEMBER 15, 2017

It's not every day a client blogs about the virtues of his legal counsel. But that's what Sam Shames, cofounder of Boston area–based [EMBR Labs](#), did earlier this year.

While seeking funds for its startup technology business, EMBR was on the verge of entering into a financing transaction with an investor. But there was a problem with the contractual terms presented to the young entrepreneur. The language amounted to a takeover of the startup, rather than a financing deal.

After reviewing the proposed terms, WilmerHale Partner [Gary Schall](#) alerted Shames to the potential consequences if EMBR moved forward with the transaction. “The investor was asking for complicated deal terms that didn't make sense for an early-stage company,” says Schall, whose practice focuses on emerging businesses. “On top of that, the proposal included terms that the investor had not even discussed with EMBR. It raised a big red flag about whether this investor understood investments in technology startups.”

Making Waves With Wearable Technology

Since incorporating in 2014, EMBR—which stands for Environment, Mind, Body Resonance—has spent considerable time raising funds to develop its core product, Embr Wave, a wristband designed to cool or heat the body temperature of its wearers.

The idea of a personal temp-control device was sparked when Shames—who holds a material science and engineering degree from MIT—would battle his mother over the family home thermostat. She was always cold and would crank the heat up to unbearable levels, he claims.

Seeking a better way to coexist under one roof, Shames started researching physiology journals to understand the complex relationship between an individual's body heat level and overall well-being. Over the past two years, Shames and his three cofounders, fellow MIT graduates, have produced a prototype scheduled to hit the consumer market in February 2018. To understand how Embr Wave functions, think of the cooling effect of placing an ice cube on someone's neck or wrist on a steamy day.

“We've done a lot of engineering on the physiology of skin to optimize the hot-and-cold sensations

relative to the energy our thermal receptors use,” says Shames. “Our mission is to harness the power of temperature to improve personal comfort and save energy.”

Launching Into the Next Phase of Growth

Although turning down the investor's deal set the company's fundraising goals back a year, Shames says Schall's guidance has been eye-opening.

“After leaving the MIT bubble, we thought we were ready to raise funds,” says Shames, a *Forbes* “30 Under 30” recipient. “In hindsight, we were not ready in terms of technology development and our business plan. We've not just benefited from WilmerHale's legal counsel, but also the firm's professional network in the Greater Boston area. Our investors and vendors feel more comfortable having our due diligence done by such a quality firm.”

EMBR Labs also participated in WilmerHale's innovative [QuickLaunch program](#), created to help entrepreneurs navigate critical legal issues and make sound early business decisions.

“We want to ensure that basic agreements are in place with the founders and that they understand the contractual terms before they sign them,” says Schall. “With an early-stage company, you want to keep things simple from a legal perspective to allow the startup to focus on more pressing needs like product development and scaling their business.”

Over the past year, Schall and WilmerHale Partner [Jeffrey Johnson](#) have provided EMBR Labs with guidance on both corporate and commercial matters, including drafting documents relating to terms of use, terms and conditions of sale, privacy policy, product evaluation agreements, and intellectual property issues.

Client Tested, Lawyer Approved

Asked what he's learned from working with WilmerHale, Shames refers to his [blog](#): “Fundraising is supposed to be hard. Take your time, do your due diligence, and trust your lawyer.”

As for his view of the Embr Wave wristband, Schall adds: “As soon as you put it on, you feel the waves. Plus, it's got a sleek look that can be used as an accessory. I look forward to getting mine in February.”