

## Money-Seeds and Green Ideas

### Impres Medical receives \$2.3 million cash infusion after meeting investors at a Medtech Insight 'Investment In Innovation (In<sup>3</sup>)' conference...

by Ronald C. Trahan

**I**MPRES MEDICAL, an emerging Edina, Minn.-based medical technology company, recently closed on a \$2.3 million venture capital financing. The cash infusion is being used to complete clinical testing of the company's first product, *Deactivation*<sup>TM</sup> – a uterine-implantable "scaffolding" biomaterial intended to treat women who experience abnormally heavy bleeding during their monthly menstrual cycle. The financing was led by Technology Funding (El Dorado Hills, Calif.), whom Impres Medical's President, CEO and Founder Wally Danielson met for the first time while presenting his company's story at a Medtech Insight conference. Also participating in the funding, announced in December 2002 were San Francisco-based Sunflower Capital Partners; Upper Lakes Growth Capital of Eden Prairie, Minn.; Portage Equity Investments of Wayzata, Minn.; and, American Medical Systems, a strategic corporate partner.



Wally Danielson  
President/CEO,  
Impres Medical

According to Danielson, about 20 percent of women between the ages of 35 and 50 (about 6.4 million) have a condition known as *menorrhagia*, or excessive uterine bleeding. Most women occasionally experience heavy menstruation during their menstrual cycle. Such intermittent heavy bleeding may normally occur during the final two to three years before menopause, or during the first years after the onset of puberty. But women suffering from menorrhagia experience persistent and heavy abnormal bleeding: They may soak through multiple sanitary protection products as often as every one or two hours, or have cycles that frequently last more than seven days.

Relief from menorrhagia may come from either a *hysterectomy* or *endometrial ablation*. Hysterectomy is a major operation that involves removal of at least the *uterus* (womb). Some types of hysterectomies involve removing other organs as well. This major surgical procedure requires up to a six-week recovery time and a lifetime of hormone therapy, according to Danielson. An alternative to hysterectomy is another major invasive procedure, *endometrial ablation*, which uses an energy source to destroy the lining of the uterus, in the hope that it will stop abnormal bleeding. Both procedures require anesthesia.

In contrast to these invasive procedures, Impres Medical has developed an office-based minimally invasive procedure using *Deactivation*, the company's scaffold-like biomaterial that is deployed trans-vaginally and placed in contact with the endometrial tissue, stimulating the body itself to eliminate menstruation by changing (or "deactivating") the endometrium into fibrous tissue, which does not shed or bleed any longer. Impres Medical is currently conducting two separate clinical studies of pre-menopausal women who suffer from menorrhagia and have been scheduled for hysterectomy.

"Our investors believe that the women's health market is an untapped area of significant opportunity," says Danielson. "They also believe that ours is a 'game-changing' technology that will transform the way gynecologists practice medicine. And we couldn't agree more. We expect our funding to take us through 2003. To go forward from there in 2004 and 2005, we'll be looking to be funded with an \$8 million Series B round. No doubt, we'll be at the next Medtech Insight conference." □

#### Investment In Innovation (In<sup>3</sup>): A Preview of Early-Stage Medical Technology Companies San Francisco, June 12-13, 2003

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#### What investors are saying about In<sup>3</sup>:



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