

Two heart-repair device firms pull in \$7M

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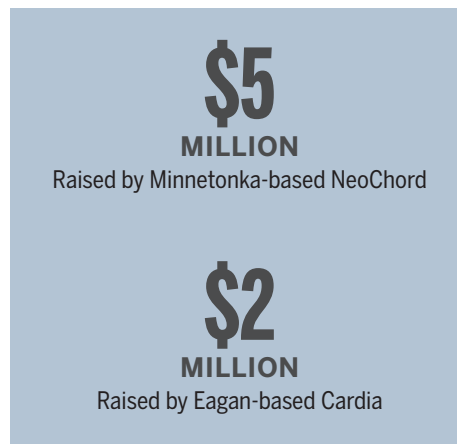
Minnesota companies continue to pull in venture capital, with two multimillion-dollar money raises disclosed in recent U.S. Securities and Exchange Commission filings.

Minnetonka-based NeoChord recently raised \$5 million and is seeking to raise another \$6 million, and Eagan-based Cardia recently raised more than \$2 million. Both companies are developing devices that repair heart defects without the need for open-heart surgeries.

NeoChord is seeking to commercialize technology licensed from the Mayo Clinic to treat mitral regurgitation, which involves a leaky mitral valve in the heart. Rather than crack a patient's chest open, a surgeon can use the Mayo technology to fix the valve using a chord attached to a tool inserted in an incision between a patient's ribs.

NeoChord has already raised about \$8.5 million since 2007.

The latest fundraising round includes a new investor, Grand Rapids, Mich.-based Hopen Life Science Ventures. A host of previous investors also provided money. They include CHV Capital, previously



called Clarian Health, which is part of Indiana University Health, Indiana's largest health system. Mayo Clinic is also an investor, as well as Carmel, Ind.-based Heron Capital and Kalamazoo, Mich.-based TGap Ventures.

The \$5 million will go toward completing enrollment in clinical trials in Europe as NeoChord seeks regulatory approval for a European launch of the product.

"In Europe, we hope to be commercializing the product in the first half of next year," said John Seaberg, a former Guidant Corp. executive who is NeoChord's CEO and chairman.

Started in 1998, Cardia has a device that uses a transcatheter approach to implanting a septal occlude, a cardiac implant that fixes a defect commonly referred to as a "hole in the heart."

The device is already marketed overseas. Besides Eagan, Cardia has an office in Ghent, Belgium. The company raised \$345,000 in 2002.

A top executive at Cardia couldn't be reached for comment.

Both NeoChord and Cardia hail from a Minnesota medical technology field that has been a dominant recipient of venture capital in the state in recent decades.

The second quarter of 2011, which happened to be the best quarter for venture capital in the state since 2009, was an exception. Plymouth-based BioAmber made up more than half of the \$71 million raised by nine Minnesota companies in the three months ended June 30, according to the most recent MoneyTree Report.

BioAmber is a "renewable chemistry company," which entails taking agricultural crops and using them to produce chemicals that act as substitutes for chemicals derived from petroleum. The company's main product is biobased succinic acid, a chemical building block that can be used to produce a wide range of plastics.