

Early Stage Aortic Device Co. Sadra Medical Gets \$9M Series A

By Estee Pierce

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Sadra Medical Inc., which is developing new therapies for aortic valve disease, has completed a \$9 million Series A round.

Pequot Ventures, a new shareholder, co-led the financing along with the firm's seed investors Onset Ventures and Schroder Ventures, each placing around \$3 million.

Sadra's President and Chief Executive Amr Salahieh co-founded the start-up last year with board member Fred Khosravi, who also serves as chief executive of AccessClosure. The two worked together in the late nineties at Embolic Protection Inc., or EPI, where Salahieh served as vice president of research and development and Khosravi was president.

The Saratoga, Calif.-based company is focused on therapies that minimize the invasiveness of aortic valve surgery, in order to make valve replacement possible for patients who are now considered too ill to undergo surgery.

Treatment of aortic valve disease remains a significant and growing unmet clinical need. According to the company's figures, as many as 3 million people in the U.S. have aortic stenosis; however, only a small percentage of those patients are treated with the current standard of care, open-heart surgery using cardiopulmonary bypass.

"We identified the business opportunity and then pursued the idea," Salahieh said. By delivering an aortic valve replacement that reduces the risks and morbidity associated with surgery, Sadra seeks to provide a therapeutic option for patients who are not being treated today.

Board member Leslie Bottorff of Onset Ventures was familiar with Salahieh and Khosravi through Onset's investment in EPI, which was sold to Boston Scientific in 2001 in a deal worth over \$75 million.

Onset agreed to provide Sadra with investigational seed capital in the form of a loan before the firm had a product concept, Bottorff said. "They came to us with the concept of what they wanted to do, this vision of making the procedure more practical."

Schroder, which came in as a seed investor in Sadra shortly after Onset, was also an EPI investor.

Another device start-up in the aortic valve disease area is Percutaneous Valve Technologies, or PVT, which is developing catheter-based approaches for replacing aortic valves. Late last year PVT was sold to public device firm Edwards Lifesciences for \$125 million.

"We're developing new technology to address some of the shortcomings that they [PVT] have," Salahieh said. He declined to comment on Sadra's approach to treatment, noting that the firm is in the early development phase, with patents filed but not issued. Proceeds from the Series A investment will be used to further develop the company's approach, he said, and are expected to last several years.

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