

Bend startup gets \$600K investment

By Andrew Moore / *The Bulletin*

Published: July 24, 2008 4:00AM PST

Clear Catheter Systems, the Bend startup that in 2006 won the Bend Venture Conference's first investment award of \$100,000, planned to announce today that it has received \$600,000 in new seed financing.

The company, formerly named PleuraFlow, has developed a medical device that prevents blood clots from blocking drainage tubes placed in patients after heart and lung surgeries, among other uses. Dr. Ed Boyle, the company's CEO and a practicing cardiothoracic surgeon in Bend with Inovia, said the additional money will allow the company to set up clinical trials.

"In the last year, we've had a series of successful milestones ... which gave us confidence to raise money for the next milestone, to have (the device) ready for human implantation at the end of the year or early next year," Boyle said.

The new round of financing includes additional money from members of the Bend Venture Conference, from a Cleveland-based family venture fund named X Gen Ltd., and a grant from The Cleveland Clinic's Global Cardiovascular Innovation Center.

The Cleveland Clinic, which specializes in cardiovascular and thoracic care and research and is based in Cleveland, is a partner in the company. With the additional financing, the company will open an office in Cleveland to coordinate its ongoing collaboration with the clinic, Boyle said.

CCS is based in Bend, with one employee in addition to Boyle, and Boyle said he has no intention of leaving the area. Boyle said the device's preclinical trials were done in Cleveland, but he said it's yet to be determined whether the clinical trials with humans will occur in Bend, Cleveland or some other location.

If the clinical trials go well, Boyle said the company hopes to raise money in a Series A round of financing next year with hopes that the money raised will allow the company to bring its product to market by the end of 2009. Series A financing is an entrepreneurial term that denotes financing above seed capital but below a public stock offering. Startups usually progress through several rounds of financing with investors before issuing public stock.



Melissa Jansson / *The Bulletin*

Dr. Ed Boyle is a cardiothoracic surgeon in Bend and the CEO of Clear Catheter Systems. The company is receiving a new round of financing to set up clinical trials of its medical product.

Depending on a number of variables, Boyle said the company may choose to manufacture and distribute the device itself or partner with another company to do so. Those variables also prevent Boyle from saying where the company might ultimately be headquartered, but he said Bend is a candidate.

The product

Boyle described his device as a way to manually “floss” drainage tubes in order to break apart clots and break through clogs that form inside the tubes. Drainage tubes are used after heart and lung surgeries to prevent fluids from building up around those organs and adversely compressing them, Boyle explained.

In order to prevent dangerous clots or clogs in the tubes, doctors often compensate by using large-diameter tubes, derogatorily called “garden hoses,” to lessen the chance of clots or clogs, Boyle said. But the larger the tube, the more painful it is for the patient.

Boyle said that research completed since 2006 has proved the device has applications in other medical uses, including feeding tubes and urological surgeries. These discoveries prompted the company’s name change, said Boyle, as the pleura is the membrane that lines a chest cavity.

Commercial science

Tom Sudow, director of business development with the clinic’s Global Cardiovascular Innovation Center, said the company’s product is interesting and could easily be commercialized.

Sudow’s group, which is partly funded by the state of Ohio, specializes in funding medical device companies with the hope that the companies will take up residence in Ohio.

“We’re looking for science for the sake of commercialization,” Sudow said. “We want things that can build jobs and improve patient care and outcomes, as opposed to neat science that no one will buy. This one has a clear market for it. If a doctor invented it, it means the market needed it.”

As for the Bend Venture Conference, founder Dan Hobin is excited to watch Boyle’s company grow. Hobin said the conference’s annual investment award is designed to help Northwest companies get started as well as back local entrepreneurs.

With Boyle’s company, “I think we did that very well,” Hobin said. “It’s too early to call it a success yet, but it’s headed in the right direction.”

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