

# Imaging firm raises \$1.5 million

12:09 PM Nov., 07, 2002  
Crain's Cleveland Business

By CHRIS THOMPSON

To raise money in this economic climate requires incredible teamwork and that's exactly what Paul Amazeen said Imalux Corp. has going for it.

Mr. Amazeen, chief executive of the Cleveland startup, credited a team that includes "enthusiastic" local investors, the state of Ohio, researchers in Russia and the Cleveland Clinic for Imalux being able to raise nearly \$1.6 million.

"It has been a real team effort that Northeast Ohio should be proud of," Mr. Amazeen said.

The successful fund raising comes a little over a year after the company raised \$500,000 from three local investors. All three of those investors, Early Stage Partners, Biomec, Inc., the Cleveland-based biomedical product development and manufacturing company, and Symark Ltd., the investment vehicle run by Bill Sanford, participated in the latest round. The Ratner family is among the new investors in Imalux, Mr. Amazeen said.

Jonathan Murray, a managing director of ESP, said the fund was eager to add to its investment because "the technology is great."

Imalux's imaging device uses low power infrared light to create high quality, real-time medical images that can be used to diagnose various diseases and to assist in surgeries.

Developed at the Russian Institute of Applied Physics, the technology has been tested at the Cleveland Clinic. The Clinic is conducting clinical trials with a prototype built in Russia. Earlier this year, Imalux received \$542,000 from the state's Technology Action Fund to work with the Clinic on using the prototype to diagnose cervical cancer.

The ability to secure state assistance and the work at the Clinic helped persuade investors to make a bet on Imalux, Mr. Amazeen said.

The fresh money will be used to engineer and make its imaging device so that it complies with federal regulations. Biomec Inc. is doing the design and will manufacture the device. Imalux expects to seek Food and Drug Administration approval for the device within six months and begin commercial production in about 18 months.

The company will need to seek additional funding or support from a large medical industry partner to be in a position to begin commercial production of the product, Mr. Amazeen said.

"If things go according to plan our interest would be there" to invest more money in Imalux, Mr. Murray said.

Mr. Sanford agreed with Mr. Amazeen's assessment that the financing deal is an example of how all the various elements of the region's financial, medical and technology communities can work together.

'This is really good news for Northeast Ohio and validation of the community's efforts to increase commercialization of medical technology in this region' said Mr. Sanford, who is also chairman of BioEnterprise, a nonprofit group that helps create and attract medical-related companies to the region. Mr. Sanford is on Imalux's board.

“Cleveland has a long history of innovation in imaging and this could be another one of our advances,” he said.