



**Massachusetts Life Sciences Center Board Approves Next Round of Accelerator Program Loans for Early-Stage Companies**

*Center will provide \$2.2 million to support three early-stage life sciences companies*

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Waltham, MA – The Massachusetts Life Sciences Center, a quasi-public agency tasked with implementing the state’s ten-year, \$1 billion Life Sciences Initiative, today announced the awarding of **\$2.2 million in loans to three early-stage life sciences companies**. The Center’s Accelerator Program provides loans of up to \$750,000 to early-stage companies engaged in life sciences research and development, commercialization and manufacturing. The Center’s Board of Directors approved the fourth round of Accelerator loans today.

The Accelerator Program, the Center’s flagship investment program for companies, supports and “de-risks” early-stage companies by providing loans that will match other sources of capital. By leveraging other sources of capital, the Accelerator Program provides support to companies at the most critical stages of their development cycle, enabling them to conduct vital research and proof-of-concept studies and attract subsequent investment while improving the odds of bringing cutting edge innovation to the marketplace.

In September of 2010, Good Start Genetics became the first of these companies to pay back their loan, with interest, after securing \$18 million in Series A financing. The company recently moved into 15,000 square feet of space in Cambridge and now has more than 20 employees. In October 2010 Invivo Therapeutics paid back their loan to the Center, with interest, after raising \$13 million in private financing. InVivo just announced a lease for 21,000 square feet of space in Cambridge, currently employs 20 people, and has plans to grow to more than 30 employees in the coming year. Loan repayments contribute back to the Center’s funds that are available for reinvestment through this and other programs.

Applicants for the Accelerator Program are generally early-stage life sciences companies with a high-potential for technology commercialization, rapid growth, and downstream private equity financing. The loans are designed to address the need for capital investment associated with the

long life sciences R&D cycle and the high cost of translating research into a commercially viable product.

Applications were subjected to a double-blind, rigorous peer review, followed by an evaluation by the Center's Scientific Advisory Board (SAB). Applicants were then further screened by the Center's Investment Sub-Committee of the Board of Directors, through a process that included a live presentation by finalists. Final awards were determined by the Center's Board of Directors.

The three companies that were authorized today to receive loans (pending due diligence by Center staff) through the Accelerator Program are:

**Intelligent Bio-Systems, Inc. - \$750,000 (Waltham)** – A DNA sequencing company with a patented, higher performance, lower cost next generation DNA sequencing instrument and consumable system. The core technology is fully developed, large scale instrument prototypes are functional, and the Company is getting ready to launch a smaller, lower cost highly flexible version of the system. They are currently focused on completing small scale prototypes and moving into beta testing in customer labs.

**Allurion Technologies, Inc. - \$750,000 (Wellesley)** – Developing a novel medical device called Allurion designed to induce significant weight loss by displacing volume in the stomach. Leveraging super-porous hydrogel technology enables the device to be delivered without surgery and it can be eliminated via an orally available, non-toxic dissolution agent. Due to the ease of application and removal, the product will target patients across the obesity spectrum. The company is currently focused on testing to pave the way for a first-in-man trial.

**Paragonix Technologies, Inc. - \$710,000 (Cambridge)** - Commercializing first-in-class, single-use and highly portable Organ Preservation and Transport Devices called 'Sherpas.' The strongly protected IP relies on *elasto*-mechanical properties of the organ compartment in combination with control elements to harness the energy stored in compressed oxygen. Paragonix has begun with a Sherpa for kidney transport, but is planning to expand their 'Sherpa' product line for other organs. They are currently focused on completing product development and regulatory submission.

"The Life Sciences Center's Accelerator Program is creating jobs and driving innovation by helping early-stage life sciences companies grow into larger companies," said Secretary of Housing & Economic Development Gregory Bialecki, co-chair of the Center's Board of Directors. "We look forward to working with these companies as they put down roots and grow in Massachusetts, supporting the future of life sciences and medical technology in our own backyard."

"The Center's Accelerator companies have been making extraordinary progress in attracting private capital, creating jobs and advancing important new medical technologies to the marketplace," said Massachusetts Life Sciences Center President and CEO, Dr. Susan Windham-Bannister. "We are pleased to add these three promising companies to the Center's investment portfolio."

“The Center’s Accelerator loan has provided Grove Instruments with significant capital for critical projects and a substantial amount of recognition in the greater MedTech community,” said Arthur Combs, CEO of Worcester-based Grove Instruments, which received an Accelerator loan earlier this year.

“AesRx is developing a therapeutic for sickle cell which is an orphan disease,” said Stephen Seiler, CEO of Newton-based AesRx, which received an Accelerator loan earlier this year. “To secure funding for any early stage drug program in today’s environment is difficult – doubly so for an orphan indication. The Massachusetts Life Sciences Center’s support was critical in getting us from pre-clinical development into human trials.”

#### **About the Massachusetts Life Sciences Center**

The Massachusetts Life Sciences Center (“the Center”) is a quasi-public agency of the Commonwealth of Massachusetts tasked with implementing the Massachusetts Life Sciences Act, a ten-year, \$1 billion initiative that was signed into law in June of 2008. The Center’s mission is to create jobs in the life sciences and support vital scientific research that will improve the human condition. This work includes making financial investments in public and private institutions that are advancing life sciences research, development and commercialization as well as building ties between sectors of the Massachusetts life sciences community. For more information, visit [www.masslifesciences.com](http://www.masslifesciences.com).

#### **About the Life Sciences Accelerator Program**

In order to expand life sciences-related employment opportunities, promote health-related innovations and stimulate research and development, manufacturing and commercialization in the life sciences, the Life Sciences Accelerator Program provides loans to companies engaged in life sciences research and development, commercialization and manufacturing in Massachusetts. Target entities are generally early-stage life sciences companies with a high-potential for technology commercialization, rapid growth, and downstream private equity financing. The program is designed to help sustain these companies through a critical stage of development and to leverage additional sources of capital to bring cutting edge innovation to the marketplace.

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