

# MASSACHUSETTS LIFE SCIENCES CENTER



Investing in the State of Innovation

## NEWS RELEASE

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### **Massachusetts Life Sciences Center announces new round of Accelerator Program loans**

Waltham, MA – The Massachusetts Life Sciences Center (MLSC), a quasi-public agency charged with implementing the state’s 10-year, \$1-billion Life Sciences Initiative, announced today the awarding of **\$3 million in Accelerator Program loans to three early-stage life sciences companies.**

Launched in 2009, the Accelerator program offers loans of up to \$1 million per company and seeks to “de-risk” start-up companies that are in need of financing to serve as flexible working capital or for the purchase of capital assets. The program provides support to companies at a critical stage 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.

“The Life Sciences Center’s Accelerator program has contributed to a vibrant community of early-stage companies in Massachusetts that are creating jobs, attracting investment and bringing new medical technologies to patients,” said Governor Charlie Baker.

Including the three newly announced awards, the Accelerator Loan Program has funded or committed to fund \$22.7 million in loans to 32 companies, which have generated more than \$180 million in additional equity or acquisition proceeds. Eight of these companies -- Good Start Genetics, InVivo Therapeutics, 4s3 Bioscience, Pluromed, MoMelan, Avaxia Biologics, Sample 6, and AesRx -- have paid back their Accelerator loans prior to maturity with interest.

The new companies that have been authorized to receive Accelerator loans (pending additional due diligence by MLSC staff) are as follows:

**3Derm Systems, Inc. (\$1 million – Cambridge)** is a medical device company with a skin imaging system that allows primary care physicians to take clinical-quality 3D images of concerning skin lesions and upload them for instant review by a dermatologist. This system methodology is intended to triage the patients whose condition requires immediate attention by a dermatologist, at the same time reducing the costs associated with unnecessary appointments. With the MLSC award, 3Derm will submit a manufacturing pre-order for their devices as early as possible and accelerate the hiring of key positions.

**Parsagen Diagnostics, Inc. (\$1 million – Boston)** is a diagnostics company that has developed rapid, non-invasive test with unprecedented accuracy in predicting preterm birth within 7 and 14 days of presentation. Funding from the MLSC will help Parsagen fund their pivotal clinical trial activities, complete analytical studies, and hire additional critical staff members.

**X4 Pharmaceuticals, Inc. (\$1 million – Belmont)** is a clinical-stage therapeutics company developing oral small molecule CXCR4 antagonists for the treatment of several different cancers. The MLSC award will aid X4 in completing a genotyping study to help identify potential patients for trials, as well as fund a lead-optimization and compound synthesis effort.

"The Center's Accelerator Loan Program fills a critical gap in the life cycle of promising early-stage companies with a high potential for technology commercialization, rapid growth and private equity financing," said Dr. Susan Windham-Bannister, President & CEO of the MLSC. "Through this program we help bridge companies to their next round of funding. The Center's endorsement increases the visibility of our awardees and MLSC funds create leverage for institutional investors who can further help move these companies forward."

"Securing funding for translational drug development is always challenging," said Stephen Seiler, AesRx's Founder and former Chief Executive Officer. "This is particularly true in sickle cell disease where there has never been a drug developed specifically to treat the condition. The MLSC Accelerator loan was critical in helping us make it across the Biotech Valley of Death and bringing us closer to an important new treatment for patients in an area of enormous unmet medical need."

Applications were subjected to a double-blind, rigorous peer review, followed by an evaluation by the MLSC's Scientific Advisory Board (SAB). Applicants were then further screened by the MLSC'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 MLSC's Board of Directors.

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

The Massachusetts Life Sciences Center (MLSC) is an investment agency that supports life sciences innovation, research, development and commercialization. The MLSC is charged with implementing a 10-year, \$1-billion, state-funded investment initiative. These investments create jobs and support advances that improve health and well-being. The MLSC offers the nation's

most comprehensive set of incentives and collaborative programs targeted to the life sciences ecosystem. These programs propel the growth that has made Massachusetts the global leader in life sciences. The MLSC creates new models for collaboration and partners with organizations, both public and private, around the world to promote innovation in the life sciences. For more information, visit [www.masslifesciences.com](http://www.masslifesciences.com)

### ***About the Life Sciences Accelerator Loan 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 Loan 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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