

MANAGEMENT:

CEO : Richard Deslauriers

INDUSTRY:

Medical Products and Devices

STAGE OF DEVELOPMENT:

Early Stage

BUSINESS DESCRIPTION: The company was created in 1997 in Connecticut by Dr. Deslauriers to develop and market medical products and devices. DRG has successfully developed many medical devices under its contract manufacturing activity. However, in 2005, Dr. Deslauriers has decided to focus on the development and commercialization of Kryptonite, a new bone cement product under development with very strong potential.

FOUNDER: Richard Deslauriers, MD is Chief Executive Officer, President, and Chairman of the company's Board of Directors. Richard received a B.S. in Mechanical Engineering from the University of New Haven and a Doctor of Medicine from the University of Toronto. Prior to Medical School, Richard was employed in the medical device field, working as a project engineer with Johnson & Johnson. Upon graduating medical school, Richard founded DRG.

SUMMARY OF BUSINESS STRATEGY: The company is currently focused on the commercialization of a new class of "bone cement" or "bone glue" called Kryptonite™. Major worldwide commercial opportunities for Kryptonite and related products may exist in Cardiac, Trauma, Orthopedic, and spine market segments. The company anticipates that initial commercialization efforts will focus on Kryptonite applications consistent with the product's current submission indications for use. The company outsources the manufacturing part of the activity.

TARGET MARKET: Major commercial opportunities for Kryptonite may exist in the cardiac, trauma, orthopedic, and spine market segments. The market may include hospitals, doctors' offices, clinics, and other medical care surgery centers.

PRODUCTS/SERVICES: The Kryptonite is a new class of bone cement that may provide for stability and bony in-growth and related products that is osteoconductive and has the mechanical properties of a bone. It is 18 times stronger than existing bone cements. DRG already has 1 million in sales in Europe and is approved for use in 31 countries. The product can be used in a variety of occasions: non weight bearing bone voice filler, cardiac sternal closure, and soft tissue fixation. The product has already been tested in different markets outside the US as it has a CE mark and was used in about 120 cases.

DISTRIBUTION CHANNELS: The Company works closely with local and domestic vendors to support the various Kryptonite manufacturing and packaging steps. The Company has developed syringe-based packaging, and enhanced handling and curing characteristics. Additionally, the Company developed unique configurations or formulations providing for slow cure, fast cure, with and without barium. The Company also improved the product's sterile packaging and delivery systems to facilitate repeatable mixing parameters. DRG uses an independent selling team of about 610 people. These sale representatives are among the top tier and already sell for large pharmaceutical companies such as Johnson & Johnson.

COMPETITION: The main competitor of Kryptonite is PMMA, which is the bone cement currently used on the market today. According to the company, Kryptonite is 18 times stronger than PMMA and does not have one of its drawbacks, which is the temperature. Kryptonite does not get hot as occurs with polymethyl methacrylate PMMA and for this reason represents a more comfortable and safer alternative. PMMA is sold by other pharmaceutical companies such as Johnson and Johnson. Osteotech is a competitor that has developed another alternative, Plexur(TM) P Biocomposite, which was cleared by FDA in 2007. Another company, Stryker has a product Stryker Simplex P Bone Cement used in orthopaedics applications since 1973. 610 sales associates trained and ready to sell in the US upon approval and other countries.