

Dune Medical Devices raises \$12.5 m

The round was led by Apax Partners and included Meditech Advisers and private investors.

Gali Weinreb 29/06/2006 14:30:57

Israeli start-up Dune Medical Devices Ltd., which develops surgical oncology technologies and products, has closed a second financing round in which it raised \$12.5 million. The latest round was led by Apax Partners which invested \$11.5 million, with a further \$1 million raised from Meditech Advisers and private investors. Apax also led the previous financing round for Dune in 2004 in which \$7.5 million was raised in two stages. According to data produced by IVC online, the company's investors also include the Tzina Bio-Perspective Fund and the Reich Family. Dune was founded under the auspices of incubator Misgav Technology Center.

Dune has developed a hand-held surgical probe that enables detection of cancerous tissue during the course of breast surgery. Founder and CEO Dr. Dan Hashimshony said, "When a surgeon removes a growth, he scans it with the probe to verify whether it has benign margins, which will indicate that the growth has been removed in its entirety, or whether it has cancerous margins, which will indicate that cancerous tissue still remains in the body. Once the growth has been completely removed, he scans the area with the probe to ensure that no cancerous tissue remains."

**Globes: Are there any other products in the market that use different means to perform such real time examinations?**

**Hashimshony:** "There are no such products on the market. There is one product currently in the development stages, but we will be the first company to enter the US market and the solution we offer is, I think, better than other products currently being developed."

Published reports indicate that from 20-60% of the breast-conserving lumpectomies performed each year in the US, necessitate re-excision because a clear margin was not obtained in the initial procedure. In a study presented at the annual conference of the American Society of Breast Surgeons (ASBS), researchers reported that Dune's probe can identify positive margins in 75% of all patients, potentially eliminating the need for additional surgery in those cases.

In a related development, Dune also announced it had also won EU CE Mark certification for its device. The CE Mark indicates that the product is safe to use and that it does detect cancerous tissue. It now remains to be seen whether surgeons will be able to use the device to reach decisions regarding whether or not additional surgery is required.

Despite obtaining the CE Mark Certification, Dune has no plans to market the product

in Europe in the near future, but will expand its clinical trials there to prove its efficacy. "We do not expect any substantial sales in Europe until we receive US Food and Drug Administration (FDA) approval for the probe, so we will therefore deal the launch until we get it,"said Hashimshony. "We have already had a small amount of sales for clinical trial usage. We expect FDA approval by the beginning of 2008."

*Published by Globes [online], Israel business news - [www.globes.co.il](http://www.globes.co.il) - on June 29, 2006*

© Copyright of Globes Publisher Itonut (1983) Ltd. 2006