



Mentor medical device maker's partnerships open new opportunities

Outside inventors' ideas materialize through Frantz

By **CHUCK SODER**

4:30 am, June 22, 2009

Mark Frantz will have a lot of people to thank if his company's latest ventures take off.

Frantz Medical Development Ltd. is in the process of developing several medical devices based on ideas from outside inventors. Frantz aims to manufacture the innovations at its Mentor campus, as it has with past efforts that followed the same strategy.

Two companies in which Frantz holds ownership are developing Israeli-invented medical devices aimed at making cardiologists' jobs easier. Another is refining a drug-delivery technology invented by a company that Frantz Medical sold to Minneapolis-based medical device giant Medtronic Inc.

Two other joint ventures between Frantz Medical and the Cleveland Clinic continue to work on innovations meant to improve disease diagnostics and orthopedics.

All the while, Frantz Medical itself continues making its own medical devices, including its flagship product, a pump that pushes liquid food into the stomachs of patients who can't swallow.

Working on products for new markets within the medical field is not new to Frantz Medical, according to Mr. Frantz, a Cleveland Heights native who is the company's CEO. Since Frantz Medical was founded in 1979, it has transformed into new products several ideas developed by outside inventors.

However, the company intensified those efforts four years ago when it hired Stephanie Harrington as its vice president of research and business development.

She pushed the firm to focus more on developing new cardiovascular, orthopedic and diagnostic technology — the areas where Frantz Medical saw the most opportunity, Mr. Frantz said.

And opportunity for Frantz Medical means job opportunities for Northeast Ohio, Mr. Frantz said.

"Our goal is to develop products that we can manufacture here," he said.

Heart of the matter

The company's most recent ventures include CardioStar and VasoStar. Both of the companies are based on Israeli technology, and both in May were awarded funding from the Global Cardiovascular Innovation Center, a \$250 million Cleveland Clinic-led project aimed at commercializing cardiovascular technology.

CardioStar is developing a device that would attach to patients' wrists to provide various details about their blood flow. Today, doctors insert tubes into arteries to get the same information, Ms. Harrington said.

The company already is using lab space within Frantz Medical, which formed the startup with Israeli medical device company Cardiosigns Ltd.

VasoStar also is using space at one of Frantz Medical's two buildings in Mentor, which total 45,000 square feet, to further develop its vibrating guidewire, which is meant to help break up blood clots. Doctors today sometimes try to break clots by gently tapping the guidewires that they feed into the body to reach problem areas.

Ms. Harrington also is VasoStar's chief operating officer.

Frantz Medical is working on other startups as well. The firm is a partner in a venture capital fund called Frantz Medical Ventures, which invests in early stage biomedical technology companies, and this past fall it incorporated NanoMed Systems to further develop medical coatings technology created by one of its portfolio companies, Setagon, which was sold to Medtronic for \$20 million in 2007.

Medtronic owns the rights to use improvements NanoMed makes in Setagon's metal coating material on cardiovascular devices, but NanoMed retains rights to use improvements in other products.

Frantz Medical also over the past few years has formed two joint ventures with the Cleveland Clinic: Frantz BioMarkers LLC is working to discover and commercialize new ways of diagnosing diseases by looking for various molecules in the body, and Merlot OrthopediX Inc. aims to improve on the design of implants for spinal vertebrae and other bones.

Driving forward

Frantz Medical is able to work with so many technologies without losing focus partly because it doesn't have a sales team, Mr. Frantz said. The firm works with distributors who sell the products.

The company also hasn't been slowed by the recession, Mr. Frantz said, declining to give the company's employment and revenue figures.

"The good news is we're not in high-end capex (capital expenditure) equipment," Mr. Frantz said.

Tom Sudow, director of business development for the Global Cardiovascular Innovation Center, described Mr. Frantz as "a real leader" in the biomedical field and lauded the firm's record of keeping production in Northeast Ohio.

"You know where the manufacturing is going to be done," he said.

PRINTED FROM: <http://www.crainscleveland.com/apps/pbcs.dll/article?AID=/20090622/SUB1/306229984/1072/TOC&Profile=1072&template=printart>

© 2009 Crain Communications Inc.