

# Laser Licensing Pushes Alphaeon's Middleman Method

## Gets Amaris Device Rights From German Maker

**A**lphaeon Corp., a Newport Beach-based "lifestyle healthcare" company, acquired the U.S. licensing rights to the Amaris excimer laser device this month from Germany-based **Schwind eye-tech-solutions GMBH**.

Alphaeon is used in more than 120 countries for surgeries such as vision correction, but it is not yet cleared in the United States.

Alphaeon, established this year, plans to oversee a clinical trial that Amaris will have to undergo in order to seek Food and Drug Administration marketing approval.

Alphaeon Chief Executive **Robert Grant** praised Amaris in a news release, saying, "the speed of their laser system and integration of wavefront and topographic data have led to impressive clinical outcomes internationally."

Published studies have shown that 97% of all nearsighted patients treated with Amaris achieved 20/20 or better unaided distance vision when measured three months after treatment.

Schwind was founded in 1958 and is privately held. A report published last year on industry website Ophthalmology Times, citing estimates from industry tracker Market Scope, noted that Schwind has a roughly 34% global market share in laser sales, excluding the U.S., and that about 4,000 excimer lasers from various manufacturers are used for correcting visual defects in markets other than

the U.S.

**Rolf Schwind**, the company's chief executive, said he believed working with Alphaeon would "significantly impact the growth of patient procedures."

Schwind Amaris is the second ophthalmic licensing deal Alphaeon has signed. The company bought the exclusive rights to market the Visiometrics S.L. HD Analyzer, a device for early cataract detection, in October.

Alphaeon didn't announce additional terms of the Schwind deal.

The company is a wholly owned subsidiary of Newport Beach-based private equity firm **Strathspey Crown Holdings LLC**, of which Grant is chairman.

Alphaeon is seeking its place as a licensee, operating as a middleman of sorts between device and product makers and doctors in the plastic surgery, ophthalmology and dermatology fields, and is also looking to offer services, such as medical practice management.

Grant told the Business Journal in June that Alphaeon was negotiating with more than 30 companies on licensing deals. He said Alphaeon is planning to keep manufacturing partners' branding for individual products, although its packaging will note exclusive licensing and fulfillment from Alphaeon.

### Melanoma Results Shared

Irvine-based **California Stem Cell Inc.** said advanced melanoma cancer patients who received an experimental, patient-specific

tumor stem cell treatment improved long-term survival rates. The treatment was part of several clinical trials conducted at Hoag Memorial Hospital Presbyterian.

Dr. **Robert Dillman**, executive medical

director of the Hoag Institute for Research and

Education, shared results of the studies during the Society for Immunotherapy of Cancer's meeting at the National Harbor in Maryland.

**NextPen Voice: new addition helps doctors with patient communication**

The studies showed that patients who received California Stem Cell's DC-TC stem cell treatment before or after treatment with interleukin-2, a traditional skin care therapy, had a five-year survival rate of 50% compared to 13% for those who received interleukin-2 alone and 28% for those who received interleukin-2 or a traditional tumor cell therapy treatment.

California Stem Cell has deep ties to the University of California, Irvine. UC Irvine professor **Hans Keirstead** is the company's scientific advisory chairman.

### Valve Maker Gets Up to \$50M

**Direct Flow Medical Inc.**, a Santa Rosa-based replacement heart valve maker that manufactures products in Lake Forest, said it entered a debt financing deal with Nevada-based **PDL BioPharma Inc.** that will provide up to \$50 million.

Direct Flow is going to use the money to re-finance its existing credit line and fund commercialization of its less-invasive replacement

heart valve that's used for treating aortic stenosis, which is a narrowing of the body's main artery.

PDL said in a news release that it initially provided \$35 million to Direct Flow, with the remaining \$15 million to be funded upon the achievement of an unnamed milestone.

Direct Flow's valve is now commercially available in Europe. The company manufactures its products in Orange County to tap the area's device talent, Chief Executive **Bernie Lyons** has said.

### Bits and Pieces

Irvine-based healthcare software maker **Quality Systems Inc.** said its **NextGen Healthcare Information Systems LLC** subsidiary has made an addition to its business line: **NextPen Voice**, which allows doctors to stay more engaged with patients while it streamlines and speeds data capture to its NextPen device. NextPen Voice intermixes handwriting, drawing and dictation, according to NextGen. ... Irvine-based **Kareo Inc.** said it started **Kareo Marketplace**, which it described as a "curated selection of cloud-based" software and services. The healthcare software company said Kareo Marketplace can help small medical practices optimize their operations, deliver improved financial performance and accelerate adoption of electronic health records, among other things. ... The Orange County Health Care Agency in Santa Ana launched a behavioral health information and referral line to link people and providers to services offered through the agency's behavioral health services division.



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