

# Xoran's Story

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## What We Do

At Xoran, we design and sell head-only low radiation dose computed tomography (CT or CAT) scanners.<sup>1</sup> We market our products and services to specialty physicians, like Ear, Nose, and Throat (ENT) surgeons, Allergists, and Head and Neck Radiologists, who use our scanners to diagnose their patients instantly at their point of care (in the office, ICU, or OR). This meets our physician customers' need and desire to better control the quality of their diagnostic and treatment services, brings new revenue to their practice, and eliminates the delay in treatment caused by sending their patients off-site to hospitals or imaging centers for diagnostic CT scans. Because the medical device industry is heavily regulated, we are subject to safety and compliance audits or reviews as a matter of normal course by government agencies such as the FDA and Radiation Safety Agencies. We are committed to full compliance so these reviews should not pose concerns or disruption in our operations.

## How We Got Started



Pedja Sukovic, Neal Clinthorne, Misha Rakic, and Jacqueline Vestevich

Neal Clinthorne (Chairman, VP) and Pedja Sukovic (President, CEO) from the University of Michigan founded Xoran in 2001 based on a grant from the National Institutes of Health (NIH). Jacqueline Vestevich joined Xoran as VP, COO and General Counsel in 2002, and Misha Rakic joined Xoran as VP, CTO in 2003. The founding group supported Xoran's growth through additional NIH grants, State grants, and business plan competition awards—avoiding venture capital or other outside investments. Xoran is privately owned by its principals.

## Xoran's Products and Services

In 2003, Xoran licensed the right to sell our scanners in the dental markets to Imaging Sciences, International, Inc. ("ISI"), a company later acquired by Danaher Corporation. In January 2007, Xoran sold and licensed the technology for the dental scanners (called "i-CAT") to Danaher. Today, i-CAT dental scanners are sold throughout the world.

In 2004 Xoran began selling upright, in-office specialty sinus and ear scanners (called "MiniCAT™") to ENT surgeons and Allergists throughout the US. In 2007, we expanded sales to a growing number of countries worldwide.

Xoran has also developed a mobile sinus and ear scanner (called "xCAT™ ENT) that is used by ENT surgeons and Head and Neck Radiologists in the OR during surgeries for instant, on-site CT evaluation. In the fall of 2007, Xoran contracted with Medtronic ENT as Xoran's exclusive US distributor for xCAT™ ENT.

Xoran's next product, xCAT™, is a mobile head scanner that rolls into place behind the patient's bed and will be used by Neurosurgeons in the OR and ICU for instant, on-site CT images of the brain.

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<sup>1</sup> CT scans create 3 dimensional x-ray images of the anatomy, giving medical practitioners valuable information for diagnosis of injury and disease, and for operative planning. Conventional CT scanners sold to hospitals by GE, Siemens, Philips and others are big, expensive, "donut-shaped" scanners designed to image the *entire body*. Xoran's scanners, in contrast, are designed around customers' specific imaging needs—which means that the image quality is optimized for specific regions of the body and patient radiation dose is significantly lower.