



Vascular access graft maker Nicast gets CE Mark, raises funds

The company has raised \$2.5 million, and plans a further \$10 million financing round.

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7 Oct 08 16:01

Medical device company [Nicast Ltd.](#) has obtained EU CE Mark certification for its AVflo vascular access graft for hemodialysis treatment. Sources inform "Globes" that the company has also raised \$2.5 million from its current investors, [Azrieli Group](#), [Israel Infinity Venture Capital](#), as well as a group of private investors.

Nicast chairman Jacob Dagan said that it plans to raise \$5 million in early 2009 and an additional \$5 million by the end of that year.

Nicast was founded in 1995 at the Arad technology incubator and has focused since then on a range of medical products. Chairman Jacob Dagan joined in 2006, and Benjamin Eliason became CEO in 2007.

The company produces devices from electrospun nanofabric, a biomaterial made of ultra-thin polymer fibers, with properties that mimic those of human tissues and organs.

Hemodialysis treatment currently utilizes needles inserted into patients' blood vessels. To reduce the damage caused by the frequent needle puncturing, a permanent link is usually made between a vein and an artery by one of two methods: either a fistula or an artificial vascular graft. As Nicast was developing its vascular graft, a medical organization declared that the fistula method was preferable, and the artificial graft market shrank to just \$100 million.

Nicast nevertheless decided to go ahead with its AVflo device in order to obtain cash flow and in the hope that improvements in the product might expand the market at the expense of the fistula method. AVflo is more flexible than current vascular graft products and its unique electrospun nanofabric spontaneously seals the punctures in the blood vessel, whereas current products require a blood clot to do the job.

Nicast also develops NovaMesh, a ventral hernia mesh, also made from an electrospun nanofabric, for the treatment of ventral hernias.

Published by Globes [online], Israel business news - www.globes-online.com - on October 7, 2008

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