



# Case Study: Audax

## Arxis, A Next-Generation Orthopedic Medical Device to Regenerate Bone and Soft Tissue



### Venture Details

In 2009, Audax Medical, Inc. initiated the product development and marketing of Arxis, a next-generation

orthopedic medical device to regenerate bone and soft tissue. The Arxis technology is based off of scientific discoveries and intellectual property developed at Brown University and is on track to approval and market launch in two years.

### Venture Impact

The advancement of the Arxis technology, a regenerative biocompatible product, will replace standard bone fillers such as bone cement, which present risk of leaking into the body and are limited in mechanical and healing capabilities.

### Audax History and Challenge

MedCap Advisors founded Audax Medical, Inc. in 2009 to fill the gaps between orthopedic medical device technology and the investors who support their innovations. Audax hoped to make its mark by successfully launching and marketing next-generation products.

For its first venture, Audax narrowed its focus to regenerative material for bone and soft tissue. The goal was to develop materials that could be injected into a site or device, have mechanical properties, and would not be synthetic. Audax needed to find a product that was completely original, successful, and ultimately marketable.

Seeking insight into the outlook of next-generation bone filler technology, MedCap Advisors recruited Mark Johanson as a partner. Having established a working relationship in 2007 when MedCap facilitated the sale of Johanson's company Scandius to Covidien, both parties shared a passion for advances in sports medicine. Their skills and networks pointed to a natural fit for business collaboration.

In conjunction with investments from MedCap, the Company has raised approximately three million dollars to complete the initial clinical studies.



### Developing Arxis

Audax's next step was to identify source material. It evaluated the evolution of orthopedic devices to position its product as an industry leader.

- 1st generation: metal/polymer implants
- 2nd generation: non-metal
- 3rd generation: bio-absorbables
- Next generation: regenerate and re-grow bone

To gain keen insight on the latest innovations emerging in labs, Johanson solicited the insight of field experts at Brown University, who were conducting demonstrations for new spinal repair methods with various materials – all of which were organic and regenerative. This presented a breakthrough for orthopedic devices market, as no similar product had been launched to date.

### Outlook

Arxis has shown promising results in its first round of pre-clinical trials and will enter its second round of pre-clinical trials in 2013. As the company's debut product, the success of Arxis will establish Audax's market position in the orthopedic medical device field.



**FOCUS ON ONE THING,  
AND DO IT BETTER THAN  
ANYONE ELSE.**

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