

# NewVa Capital Invests \$2.5 Million in Keraderm

October 23, 2009

Blacksburg, Virginia-October 23, 2009—Keraderm Corp. announced the closing today of a \$2.5 million dollar Series A investment by NewVa Capital Partners, LP. Currently starting clinical trials, the company's platform harnesses phototherapy technology to treat nail and skin infections. NewVa Capital Partners is a private equity and venture capital fund managed by Third Security, LLC and provides early stage investments in companies located or considering location in the NewVa region of southwest Virginia. This is Keraderm's first institutional investment round.

"This commitment by NewVa Capital Partners provides us with the capital and resources we need to complete our clinical trial, obtain approval for our device from the Food and Drug Administration and begin rolling out our product," says Bill Cumbie, President and CEO of Keraderm. "We're looking forward to this partnership with Third Security. Third Security really works alongside the management of their portfolio companies to create value and they have a lot of experience bringing products in the life sciences to market."

Onychomycosis, a fungal infection of the nail, is a common disorder. In the United States during the past twelve months, 2.3 million prescriptions were written to treat this disease. Current pharmaceutical therapies have limited efficacy and result in relatively high recurrence rates. In some cases, the drugs prescribed can have serious side effects. Keraderm's device, which uses bursts of pulsed light to destroy the fungal infection, has demonstrated positive results in prior clinical trials. The company is currently preparing for a pivotal trial designed to meet the requirements for approval from the U.S. Food and Drug Administration. There are no approved non-invasive, non-drug based treatments for this disease.

"We are excited to be working with Keraderm to help bring their device to market. We think they have a great approach to addressing a large market that is not well served by current treatment options," said Rob Patzig, chair of NewVa Capital Partners and Chief Investment Officer of Third Security. "We believe Keraderm's device is an effective, more convenient, and safe alternative for patients."

Keraderm represents the final investment by NewVa Capital Partners, LP, which is invested in four other companies in the biotech, life sciences, and technology sectors.

## **About Keraderm**

Keraderm Corp., headquartered in Blacksburg Virginia, is an early stage medical device company that has developed a patented, innovative, and effective treatment for nail infections. The treatment eliminates the potential serious side effects of current medications and has shown encouraging results in preclinical and early clinical testing. The Company believes that the ability to safely and effectively treat nail infections, the low cost, and the shortened treatment time of the Keraderm light-based solution will rapidly transform this billion-dollar-plus market. For more information, visit [www.keraderm.com](http://www.keraderm.com)

## **About NewVa Capital Partners, LP**

NewVa Capital Partners, LP is a private equity/venture capital fund created to make investments in companies that are considering initiating operations in, currently operating in, or willing to relocate all or a significant portion of their business to, the NewVa region of southwestern Virginia. The fund was created in 2004 by its founding partners: Virginia Tech Foundation, Carilion Clinic and Third Security, LLC. Third Security RNR LLC is the general partner and manager of the Fund. Third Security, LLC is the manager and operator of Third Security RNR LLC. For more information, visit [www.newvafund.com](http://www.newvafund.com).

## **About Third Security, LLC**

Third Security is an independent private equity and venture capital firm formed in 1999 to manage investments in public and private companies. Third Security evaluates opportunities in a wide range of industries, but principally focuses on emerging through late-stage investments in life sciences and information technology. For more information, visit [www.thirdsecurity.com](http://www.thirdsecurity.com)

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