

# Biotech Daily's CEO interview

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## **IMPEDIMED'S GREG BROWN: BRISBANE TO BASLE AND BACK**

Thoroughly self-effacing, the chief executive officer of one of the most impressive biotechs on the ASX, Greg Brown says he owes everything to his mentor and Impedimed chairman, Mel Bridges.

"He's very much my mentor," Greg Brown told Biotech Daily. "I wouldn't have had this career without his guidance."

Greg met the ubiquitous director and chairman at his first biotechnology job with Pacific Diagnostics in 1983. Mel Bridges was the company's founder and managing director.

But he also gives credit to an American fast-food franchise that taught him much about the business world. Having graduated from Aspley State Primary and Aspley State Secondary Schools in Brisbane's northern suburbs, Greg Brown enrolled in a Bachelor of Applied Science at what was then the Queensland Institute of Technology (now Queensland University of Technology).

Working nights at the fast-food franchise paid his way through university but it was the management course that introduced him to business skills.

"They taught me management. It was an excellent education in business," he said.

Graduating from QIT he took a job at Pacific Diagnostics in the Brisbane office and was later sent to Adelaide to open the South Australian office, acting as a distributor of medical devices for several companies, including Baxter International.

By 1988 he was in Perth as state manager for both Western Australia and South Australia and then back to Brisbane a year later as head of the filtration division.

Baxter progressively bought Pacific Diagnostics and Greg was offered a job, first in Dublin and then in London in 1991, where he was UK director of sales and marketing and met his wife to be, Stefanie.

In 1993 Roche hired Greg in a global marketing capacity in immunology and he spent two years in Basle, with responsibility for Roche's polymerase chain reaction (PCR) DNA test.

"It was new technology that revolutionized DNA testing with incredible sensitivity," Greg said.

It was at Roche that he learnt the US Food and Drug Administration regulatory process, initially with an immuno-chemistry test and from a marketing point of view, but increasingly closer to the action.

He has been involved in seven device approvals, with five from beginning of process to approval, of which two were with Impedimed.

He stayed with Roche in Basle and New York until 1998 when he joined Digene Corp as vice president of global strategic marketing, living in Germany but commuting to London and Washington.

Greg noted that when he joined the company, Digene was trading at \$US3 to \$US11 a share. Today Digene is \$US62 a share. He did receive generous stock options.

At the same time Mel Bridges and his wife Lucille created Impedimed and in 2001 Greg invested some of his own savings in the fledgling company. Between 2004 and 2006 he scaled back his work for Digene and became full-time chief executive officer in 2006.

The board had taken shape with Peplin's Dr Cherrell Hirst joining in 2005.

"Cherrell had done a lot of work with breast cancer, knew the technology and was very well respected," Greg said.

He said former Adelaide Bank general manager Jim Hazel was another Mel Bridges associate, and formerly a Peptech (now Arana) director as was Martin Kriewaldt.

Initially Greg did the traps of Australia's "high net worth individuals" or rich people, at that time not much impressed with the idea of venture capitalists.

But he has distinctly changed his mind. He is more than pleased with the involvement of California's Versant Ventures and Melbourne Starfish Ventures.

"They've been the best partners you could ask for. I'd never do an IPO again without them. I started with high net worth individuals but you need market validation. They did an excellent due diligence and they have a wealth of knowledge and guidance."

And he is naturally enthusiastic about the prospects for the University of Queensland and Queensland University of Technology-designed technology to detect lymphoedema as a test for secondary cancer.

The ImpXCA, formerly known as the lymphometer, has US Food and Drug Administration clearance for the clinical assessment by health care providers of secondary lymphoedema in the arm. The FDA clearance for clinical assessment means the device is eligible for US reimbursement for repeated testing.

"The FDA won't allow it to be called a lymphometer because it doesn't directly measure the lymph glands, but it actually measures extracellular fluid so we called it the extracellular analyzer or XCA."

He said that secondary lymphoedema in the arm was an indication of a compromised lymphatic system which can lead to an irreversible form of lymphoedema and the ImpXCA "detects lymphoedema up to four months earlier than present methods".

“A cancer patient who has lymph nodes removed is at risk of lymphoedema and if it is left untreated it will become irreversible. The key is early detection and early treatment.”

Impedimed said in its notices to the ASX at the its IPO that it was estimated that 10 million people had developed secondary lymphoedema as a result of breast and pelvic cancer therapy, recurrent infections, injuries or vascular surgery.

The company said a clinical research trial conducted over five years at the US National Institutes of Health “indicated that progression of secondary lymphoedema in newly diagnosed breast cancer patients may be reversed if diagnosed and treated early”.

The XCA is designed for home care use and is relatively simple to use with just two electrode “dots” - one placed on the hand and the other on the leg. The home use was the quickest method of gaining FDA approval.

Next in the pipeline are the U400 and UB500 models for general practitioners’ use

While the lymphoedema tests are the company’s core value, the acquisition of Xitron in October 2007 brought with it a manufacturing contract with Germany’s Fresenius, the world’s largest dialysis company, to produce a dry weight monitor to optimize dialysis time.

Fresenius has submitted the test to the FDA for approval.

“It’s their product, but we manufacture it for them,” Greg said. “They have the rights for dialysis but Impedimed has the rights for all other uses including lymphoedema, vascular insufficiency, muscle wasting and hydration monitoring.”

In Melbourne as part of national road show, talking with investors and analysts, Greg was pleased with the \$1.1 million sales for the year to June 30 2007 and a little coy about the yet to be released six month figures to December 30 2007.

“I’m content with where they are, but I’m very excited for this year which includes the launch of the U400 and publication of trial results,” Greg said.