



DiFUSION Technologies Announces Company Launch Focused on Surgical Site Infections (SSIs)

DiFUSION to mitigate SSIs that affect an estimated 780,000 patients in the United States each year

Austin, Texas – January 6, 2009 – DiFUSION Technologies, Inc., a medical device company targeting the orthopaedic market, today announced its corporate launch. The company will focus on reducing the rising incidence of Surgical Site Infections (SSIs) in spinal surgeries.

“In large studies, five out of 100 spine cases result in SSIs often leading to second surgeries that are extremely costly and difficult for the patient,” said Dr. Matthew Geck, founder and board member of DiFUSION and leading orthopaedic surgeon in Austin, Texas. “DiFUSION will release a medical device in 2009 capable of killing 650 types of bacteria including antibiotic-resistant bacteria such as MRSA (also known as “Superbugs”) in the local surgical wound for up to four weeks following surgery.”

DiFUSION’s founding and scientific board members comprise a team of recognized physicians in the field of spinal, biochemical and genetic research, and senior executives hold extensive experience in spinal product development and clinical studies.

“DiFUSION’s solution may not only improve infection ratios, the ‘super silicate’ technology will also affect the bone remodeling sequence in a potentially positive fashion,” said Dr. Peter Whang, a member of DiFUSION’s scientific advisory board and an Assistant Professor in the Department of Orthopaedics and Rehabilitation at the Yale University School of Medicine in New Haven, Connecticut. “SSIs are also a focus of quality improvement as part of the ‘pay for performance’ initiative for hospitals, insurers and physicians.”

“The controlled delivery of cationic elements possible with our ‘super silicate’ open multiple promising applications from infection control to bone growth,” said Dr. Gary Ghiselli, chair of the DiFUSION scientific advisory board and a board-certified orthopaedic surgeon in Denver, Colorado, who exclusively focuses on spine and complex deformity and degenerative disorders of the cervical spine. “Hospital born surgical site infections place a \$5 billion annual burden on the U.S. health care system. Our technology has the potential to save \$150 million in the spine segment alone, a tremendous savings for the health care industry.”

DiFUSION is funded by angel investors, and the company will be seeking a second round of funding for marketing and sales support in order to roll out the medical device on a nationwide basis. Current investors are expected to participate in the upcoming round.

About DiFUSION Executives / Scientific Advisors:

Dr. Matthew Geck – DiFUSION Founder and Board Member. A leading board-certified orthopaedic surgeon in Austin, Texas, specifically focused on spine and scoliosis surgery and pediatric cervical. Dr. Geck is a member of the Scoliosis Research Society, where he participates in the Pediatric Spine Surgery Mission to Cali, Colombia, and is the founder of the Spinal Deformity Foundation.

Dr. Peter Whang – DiFUSION Scientific Advisory Board Member. Assistant Professor in the Department of Orthopaedics and Rehabilitation at the Yale University School of Medicine, New Haven, Connecticut. Received an MD from the Duke University School of Medicine and a B.S. from Harvard University in Biochemistry. Widely read author on spinal infections, biological materials and bone graft substitutes.

Dr. Gary Ghiselli – DiFUSION Scientific Advisory Board Chair. A board-certified orthopaedic surgeon in Denver, Colorado, exclusively focused on spine and complex deformity and degenerative disorders of the cervical spine. Received an MD from the University of Texas, Southwestern Medical School and a B.S. from UCLA in Biochemistry.

Dr. Hyun Bae – DiFUSION Scientific Advisory Board Member. A board-certified orthopaedic surgeon in Santa Monica, California, specializing in minimally invasive microsurgery and the treatment of cervical and lumbar spinal disease. Received an MD from the Yale School of Medicine and a B.S. from Columbia University in Biomechanics.

Dr. Nitin Bhatia – DiFUSION Scientific Advisory Board Member. A board-certified orthopaedic surgeon and Assistant Professor of Clinical Orthopaedic Surgery at the University of California, Irvine. Received an MD from Baylor College of Medicine and a B.S. from Stanford University in Science and Biology.

Dr. John Stokes – DiFUSION Scientific Advisory Board Member. A board-certified neurological surgeon in Austin, Texas, with expertise in cranial neurosurgery and complex spine neurosurgery. Developed the Artificial Lumbar Disc Training Center at Brackenridge Hospital in Austin, Texas.

Derrick Johns – DiFUSION President and CEO. Has a decade of experience in the spine industry and has launched over a dozen products totaling more than \$500 million in annual sales, such as the Array Spinal System and the Sequoia Pedicle Screw System. Received his B.A. from Hamilton College after completing a four-year duty with the US Marine Corps.

Steve Vandegrift – DiFUSION Chairman. 25-year veteran in venture capital and investment banking for technology companies. Owner of an investment firm assisting companies in fund-raising, new business development, mergers and acquisitions. Most recently managing director of Techxas Ventures and current member of the Federal Reserve Board.

About DiFUSION Technologies

DiFUSION Technologies, located in Austin, Texas, is a medical device company that develops silver-based antimicrobial solutions for the orthopaedic spinal market to reduce Surgical Site Infections (SSIs) in spinal surgery. DiFUSION will release a medical device in 2009 capable of mitigating 650 types of bacteria, including MRSA, up to four weeks postoperatively, thereby drastically reducing hospital acquired infections or SSIs. DiFUSION is funded by angel investors, and the company will be seeking a second round of funding for marketing and sales support in order to roll out the medical device on a nationwide basis. Current investors are expected to participate in the upcoming round. For more information about DiFUSION Technologies, visit www.difusiontech.com.

DiFUSION Company Contact:

Derrick Johns
President and CEO
Office: 512-284-3338
djohns@difusiontech.com

DiFUSION Media Contact:

Kelly Gorychka, The Bernard Group
Office: 512-327-2195
Cell: 512-922-8059
kgorychka@bernardgroup.com

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