

Evogen Sniffs Out \$3M For Bio-Detection Devices

By Jonathan Matsey

Capitalizing on existing anthrax detection technology implemented after the 2001 postal scare, Evogen Inc. has raised \$3 million in Series B financing to bring a series of on-site biological detection devices to market.

L Capital Partners led the round, joined by the Midwest Research Institute and individual investors, said Evogen Chief Executive Sean Reineke. Valuation was not disclosed.

Based in Kansas City, Mo., the company was formerly known as Sceptor Industries Inc. and acquired a U.K.-based molecular detection company called Evogen this summer. Although Sceptor, a 2002 Midwest Research spinout, had already achieved some success with the inclusion of its technology in Northrop Grumman Corp.'s Automated Bio-agent Detection System, used in scanning mail for biohazards nationwide, the company opted to take on the Evogen name going forward, Reineke said.

The new funding will be used to launch the EvoCycler HD12 detection system, using polymerase chain reaction technology, in the research market by the end of this year, with other applications, possibly including biodefense, food, clinical research and environmental testing to come in 2009. "In the next year, we will be releasing a series of instruments that will be more and more tailored to specific markets," Reineke said.

Reineke said the EvoCycler platform aims to be low cost — roughly \$10,000 for the research instrument — and much smaller than current PCR tools currently used in laboratories. While other companies are working on developing benchtop devices using PCR to allow for on-site molecular diagnostic testing, including Enigma Diagnostics Ltd. of Porton Down, U.K., Reineke said he believes that Evogen's device will be cheaper and more versatile. "They do not have the same price point and breadth of technology," he said of his competitors, which he declined to name specifically. "It is the first personal PCR unit people can put on their desk."

Reineke said Evogen is also part of one of three finalist teams for the Department of Homeland Security's Biological Autonomous Networked Detector program, which will make a final award by the end of 2009. That initiative would complement the Northrop Grumman system, which is still in place with the United States Postal System. "That would put our technology in the top two biodetection programs in the country," Reineke said.

Under the name Sceptor, Evogen had raised a \$2.5 million Series A round in 2003 from Shalom Equity Fund, a predecessor to L Capital. Midwest Research also retained an equity stake in its spinout. The acquired U.K. company, Evogen, founded in 2006, had raised an undisclosed amount of cash from friends and family.

L Capital was not available for comment.

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