



SME of the Month - January

Medicortex Finland Oy



[Medicortex Finland Oy](#) was chosen as a runner-up at the *Most Innovative European Biotech SME Awards 2019* competition. The Finnish SME will kick-off the SME of the Month campaign, which will highlight our SME members and introduce their innovations and future plans. Read the interview with Adrian Harel, CEO of Medicortex, below.

Can you tell us a little about the background of Medicortex Finland Oy? Did the business start out from research into concussions among Finnish hockey players? (where does the idea of producing a diagnostic test for brain damage come from?)

Medicortex Finland Oy was founded in 2014 with the goal of improving traumatic brain injury and concussion management. The original goal - and still viable - was to develop a drug to treat concussions, but in the course of development it was recognized that because of the lack of reliable detection methods, millions of people are misdiagnosed. Therefore, we decided to shift the primary focus to first develop an easy-to-use kit (ProbTBI™) to help in the diagnosis of concussions.

Can you give more details on your core developed product, the ProbTBI™ strip? Which markers and indicators are you using to diagnose a brain concussion from the saliva or urine?

The ProbTBI™ test reacts to biomarkers – abnormal degraded biomolecules – that are released in blood, saliva and urine upon the disruption of the brain cells in consequence of a concussion. The sample of urine or saliva flows through the strip and the biomarker is detected on its surface with a specific recognition reaction. The test will produce a coloured reaction if a concussion has occurred.

Which key target markets are you trying to reach with the diagnostic test?

The test is applicable for both professional and consumer use, so the size of the target market is vast. Approval of the product for the consumer use is somewhat more demanding. Since they have differing regulatory paths, we will most likely prioritize professional users first.

You have received funding from the Finnish government, which didn't turn out to be an easy task, could you expand on the main challenges facing your company in gaining access to funding and finances?

The Finnish government innovation agency Tekes has awarded the company a set-up grant and a long-term development loan totalling 291,000 €. Further funding is subject to fierce competition and to more stringent regulation after the company reached certain level – which has led to a gradual decline of that approach – but is still an option.

Currently the company is primarily funded with private equity investments. We have a wide global coverage of our fundraising activities. We have been well received by investors and pharma. The project, objectives and the coming product are truly acknowledged and appreciated. The challenges we have met in fundraising are related to finding a correct investor to fund the ongoing phase of the company – for some potential investors we are still in a too early phase whereas in the opinion of some other investors we have already passed their “seed” investment criteria.

In this regard, what do you expect from the new European research and innovation framework, Horizon Europe?

We expect that significant funding is allocated to projects and initiatives which really pose a profound effect on the wellbeing, society and quality of life – such as our coming brain injury detection kit and drug are. Further on, we hope that SMEs are seen as real potential – quite often breakthrough innovations originate from the thoughts of a single individual or a small team. But, when they are setting up a start-up company to develop and try out their ideas, the entrepreneurs may face difficulties finding funding from traditional financing markets. This is the gap which the new framework program should address. Along with this we expect that the European innovation environment and competitiveness keeps viable and attractive in the globalization. We hope that the framework will bring together and connect us with interested private investors and possible industry partner companies.

What are your concrete needs in terms of financing to complete the project and bring your product to market?

With a funding of about 500,000 euro we can complete our ongoing clinical study and expedite the development of the diagnostic device. The final report of the clinical study is expected to trigger interest in pharma/diagnostic companies.

By estimates we need 4 M€ to complete the entire kit development project and to finalize the product ready for launching. This includes completing the current large clinical trial (recruiting the remaining patients and analysing all of the samples), starting a third clinical trial where we validate the usability in children, and completing the prototype development and optimization as well as the regulatory processes.

What has been your biggest achievements in 2018?

In April, Medicortex entered into a strategic partnership with a Canadian company Pro-Lab Diagnostics Inc. The deal contained a direct investment in Medicortex as

well as work in the form of conducting the approval and registration process by Pro-Lab in Canada and in the UK.

Medicortex was awarded a 50,000 € Phase-1 funding from the EU's H2020 SME-instrument and invited to submit a full proposal to the US Department of Defence (DoD) call. Both these are valuable acknowledgements for our approach to solve the brain injury diagnostics challenges.

One of our patents related to drug development was granted in the United States.

What are your aspirations for 2019 and beyond?

Starting next year, we will concentrate on the development and optimization of the diagnostic kit and testing various prototypes variations. A clinical trial focusing on concussions in children is under preparation and the subject recruitment will be initiated in 2019. By 2020 we hope to initiate the kit production and start entering the market in 2021.

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About EuropaBio

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