

For More Information Contact:

Kara Liebig
The Foundry
650-326-2656 x106
kara@thefoundry.com
www.thefoundry.com

Ching Wu
Morgenthaler Ventures
650-388-7620
ching@morgenthaler.com
www.morgenthaler.com

Steven Schwen
Split Rock Partners
952-995-7492
steve@splitrock.com
www.splitrock.com

**THE FOUNDRY ANNOUNCES NEW PARTNERS AND COMPLETION OF
SERIES A FINANCING FOR ELEVENTH COMPANY**

Erik Engelson and Jeff Grainger Join Leading Medical Device Company Incubator

Menlo Park, CA- January 28, 2009- The Foundry, LLC, a leading medical device company incubator, announced today that it has completed a \$5M Series A financing for its eleventh new company, led by Morgenthaler Ventures and Split Rock Partners, and added two new Managing Partners, Erik T. Engelson and Jeffry J. Grainger. Both of the new partners have extensive experience in the formation and growth of successful medical device companies. They join existing Managing Partners Hanson S. Gifford, III, Mark Deem and Kara Liebig.

Mr. Engelson joined The Foundry from Cierra where he served as President and CEO. Mr. Engelson previously served as the Chief Financial Officer of Fluidigm Corporation, as a Venture Partner at Versant Ventures and as an Entrepreneur-in-Residence at Institutional Venture Partners. Previously, Mr. Engelson spent 13 years in various operating roles at Target Therapeutics where he led the early start-up into the field of Interventional Neurology, participated in the IPO roadshow and eventually became its General Manager following its acquisition by Boston Scientific Corporation. Mr. Engelson began his medical device career as a Product Development Engineer for Advanced Cardiovascular Systems. He is the inventor of many medical device patents and is the recipient of the 1998 Inventor of the Year Award from the Silicon Valley Intellectual Property Law Association. Mr. Engelson currently serves on the Board of Directors of Concentric Medical and Primaeva Medical, and is a co-founder of FlowCardia. Mr. Engelson holds B.A. and M.S. degrees in Microbiology and Bioengineering, both from the University of California, San Diego. He has also completed the Stanford Executive Program and is a Trustee of the U.C. San Diego Foundation.

Mr. Grainger joined The Foundry from Xtent, Inc., a developer of drug-eluting stent systems, where he served as Vice President of Corporate Affairs and General Counsel since 2003. Prior to that, Mr. Grainger was the Founder, Chief Strategy Officer, and member of the Board of Directors of First to File, Inc., a developer of software and services for automating patent process workflow which was acquired by Mark Monitor. From 1993-2000, Mr. Grainger served as Chief Patent Counsel of Heartport, Inc., a developer of devices for minimally-invasive heart surgery which was acquired by Johnson & Johnson. From 1991-1993, Mr. Grainger was an attorney at the law firm of

Townsend & Townsend & Crew. Prior to entering law school, Mr. Grainger worked as a Robotics Engineer at Boeing Electronics Company. Mr. Grainger holds a Juris Doctor degree with Honors from the University of Washington and a BS in Mechanical Engineering from Stanford University.

“We are extremely pleased to add Erik and Jeff to The Foundry team,” said Mr. Gifford. “With the closing of this financing and our enhanced team, we are poised to break exciting new ground with our eleventh company.” Foundry Newco XI is currently not disclosing its product or market plans. The \$5 M Series A financing will provide the resources to continue inventing, developing and commercializing breakthrough solutions to major unmet medical needs. Split Rock Partners and Morgenthaler Ventures co-led the Series A financing. Allan Will, founding Managing Director of Split Rock Venture Partners, will continue as chairman of The Foundry, and Hank Plain, Partner of Morgenthaler Ventures, will continue to serve as Vice Chairman.

About The Foundry

The Foundry was co-founded in 1998 by Allan Will and Hanson Gifford, to rapidly turn the best concepts into successful new medical device companies. In addition to inventing new technologies itself, The Foundry works closely with outside clinicians and inventors with promising ideas. Over the past ten years, The Foundry has formed over a dozen new companies, including Ardian, Cabochon Aesthetics, Cierra (acquired by Terumo), Concentric Medical, Emphasys Medical, Evalve, First to File (acquired by Mark Monitor), ForSight Labs, ForSight Vision 2 (acquired by QLT), Miramar Labs, Satiety, Transcend Medical and Xtent (Nasdaq:XTNT). The Foundry, LLC is located in Menlo Park, California. For more information, visit the company’s website at www.thefoundry.com.

About Morgenthaler Ventures

Morgenthaler Ventures is a leading, national venture capital team with offices in Menlo Park, CA; Boston, MA; and Boulder, CO. It concentrates its investments in life sciences and information technology. Morgenthaler’s Life Science Team focuses on biotechnology and medical devices. Recent investments include: Ardian, Avidia, Cabochon, CardioMind, Catalyst Biosciences, Emphasys, ForSight Labs, IPC The Hospitalist Company, Morphotek, Moximed, OncoMed Pharmaceuticals, Optiscan, Orexigen, Promedior, Satiety, Vertiflex and XTENT. The firm has approximately \$3 billion under management and has funded more than 300 companies over its 40-year history. For more information on Morgenthaler and its portfolio companies, please visit: www.morgenthaler.com/ventures.

About Split Rock Partners

Split Rock Partners, with offices in Minneapolis and Menlo Park, seeks emerging opportunities in healthcare, software, and Internet services primarily in the Upper Midwest and West Coast. In May 2008, the firm announced the closing of Split Rock Partners II, LP, a \$300 million venture fund. Split Rock Partners was formed in June 2004 by the healthcare and software investment teams of St. Paul Venture Capital and

continues to manage St. Paul Venture Capital's existing healthcare and software portfolio. Representative healthcare companies backed by Split Rock's team include industry leaders such as Atritech, Disc Dynamics, EBR, Entellus Medical, Evalve, The Foundry, Spine-Tech and Tornier. Additional information about the firm can be found at www.splitrock.com.