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Shoulder Innovations Announces Equity Financing of \$21.6M

HOLLAND, Mich., Nov. 2, 2020 /PRNewswire/ -- [Shoulder Innovations](#) (SI), an emerging leader in the development of shoulder replacement systems, announced today that it has closed an oversubscribed \$21.6 million equity financing. The fundraising, led by US Venture Partners together with Lightstone Ventures, also included participation by Alumni Venture Partners, Wakestream Ventures, Biosciences Research and Commercialization Center of Western Michigan University, Invest Michigan, and the Michigan Angel Fund, among others.



Founded in 2009 by Stephen B. Gunther, MD, and Mike DeVries of EDF Ventures, Shoulder Innovations set out to develop a glenoid technology fixation solution for anatomic shoulder arthroplasty. For the five years that followed, Shoulder Innovations successfully secured meaningful issued patents, 510k clearance for the novel technology, and provided evidence to the surgical community through publication of multiple peer-reviewed publications. In 2015, Genesis Innovation Group (Genesis) partnered with Shoulder Innovations to provide financial capital and operational leadership focused on commercializing the technology. The following year, Shoulder Innovations was able to report its first commercial sale of the InSet™ glenoid. Continued investment led by [Genesis](#) and its [cultivate\(MD\) Capital Funds](#), together with leadership from industry veterans, drove continued growth and innovation at the company.

Publication of almost [10 year clinical outcomes](#) of SI's innovative InSet™ glenoid product served to increase interest and commercial acceleration of the product. "When I first conceived of the InSet™ glenoid years ago, I knew it would solve the problem of glenoid loosening. We now have the science and the commercial success to back it up," said Stephen B. Gunther M.D., founder and inventor of the InSet™ technology.

With five FDA 510k clearances granted and several additional products presently going through the FDA clearance process, the funds will primarily be allocated to product development and broadening commercialization of a full platform of shoulder replacement products. "What's exciting about the shoulder replacement market is that we are still solving surgical challenges that result in tangible improvements in patient lives. The innovations we've produced at SI represent a step function improvement in both surgical technique and product design. We're looking forward to seeing these improvements and the resulting positive impact on patient lives," said Don Running, head of R&D.

"With a full platform of products, Shoulder Innovations is in a position to accelerate its impact on the shoulder replacement market. We are proud of our partnerships with USVP, Lightstone, and AVP, which have put SI on a financial foundation that will drive high growth rates," said Matt Ahearn, COO for the company. Dave Blue, CCO for SI said, "I'm excited about the feedback we receive on our innovative products, especially our InSet™ glenoid and InSet™ humeral stem. I am confident that surgeons will embrace these products in combination with our future products."

"Shoulder Innovations, together with our surgeon partners, have been hard at work building a highly innovative, world class product line for shoulder replacement built on unmatched innovation and sound clinical thinking. This financing comes at the perfect time to deploy our new products in an exciting market, driven by a high performance team of experienced professionals. I couldn't be more excited about where we can take this," said Rob Ball, Chief Executive Officer of Shoulder Innovations.

With the close of the equity financing, the Board of Directors has been expanded to six members, including two independent board members. Casey Tansey of USVP and Mike Carusi of Lightstone Ventures will join the board representing Series C shareholders. Rob Ball and Matt Ahearn will remain on the board representing Series A and B shareholders. Additionally, Kevin Sidow and Paul Buckman will join as independent directors, rounding out a highly experienced and broad knowledge base.

About Shoulder Innovations:

Shoulder Innovations, LLC is a medical device development company that designs and commercializes innovative products which demonstrate the potential for improved patient care and reduced overall cost to the healthcare system.

Leveraging its breakthrough, patented, InSet™ glenoid design, Shoulder Innovations is commercializing a shoulder replacement implant system focused on improving outcomes related to the greatest cause of shoulder replacement failure: glenoid loosening.

The InSet™ technology has been shown in testing to significantly reduce glenoid implant micro-motion and simplify the surgical technique, potentially reducing complications or increasing implant longevity. Shoulder Innovations is based in Holland, Mich.

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Learn more about Shoulder Innovations and its Total Shoulder Replacement System at shoulderinnovations.com.

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