



Rendering: company plans to consolidate workers from three OC locations to 205,000-square-foot headquarters under way at Summit Office Campus in Aliso Viejo

Maker of Tiny Devices Goes Big With New Base

HEALTHCARE: MicroVention also plans hires to beef up R&D

By VITA REED

Small devices are adding up to big growth for **MicroVention Inc.**

The Tustin-based company, a unit of Japan-based **Terumo Corp.**, makes coils and other devices used for treating strokes and other diseases of the brain's blood vessels.

"Everything is made under a microscope," said **Rich Cappetta**, MicroVention's chief executive.

The company sells devices in 70 countries and has increased research and development efforts in recent years, including doing all of the development of peripheral vascular devices for its parent.

That growth is also leading MicroVention to consolidate its far-flung operations into a new headquarters in its original home of Aliso Viejo.

"That's why we needed a bigger facility," Cappetta said in an interview this month.

MicroVention will occupy a 205,000-square-foot building being constructed at the Summit Office Campus. The development of Aliso Viejo-based **Parker Properties** is a multioffice park next to the San Joaquin Hills (73) Toll Road.

More than 800 workers will be based in the new building, which is a consolidation of operations at offices in Tustin, Aliso Viejo and Santa Ana. Construction started this month on the facility at the corner of Aliso Viejo Parkway and Enterprise Drive. MicroVention's occupancy is scheduled for the first half of 2017.

The company will own the land and building. "We are pleased as an organization to come back to where we started," Cappetta said this month at a kickoff event for the headquarters.

MicroVention's corporate finance and administrative functions, global marketing and sales activities, research and development and manufacturing, including a clean room, will be at the new operation. The company has a manufacturing plant in Costa Rica.

The new operation "will allow us to be even more efficient and have more room for expansion," said **Todd Zive**, MicroVention's vice president of marketing.

Organic Growth

Terumo, which trades on the Tokyo Stock Exchange, doesn't break out MicroVention's sales figures. It said its cardiac and vascular unit, which includes MicroVention, had revenue of about \$1.9 billion for the 12 months ended in March, compared with \$2 billion for the 12 months ended in March 2014.

Terumo posted a \$321.8 million profit on sales of \$4.1 billion in the 12 months ended this

past March.

MicroVention's growth is "all organic," and the company has made no deals for companies or technologies, Zive said.

Its devices aim to treat "four main diseases" — brain aneurysms; vascular malformations in the brain; ischemic strokes, which result when a blood clot occurs in the brain; and carotid artery disease, Zive said. The carotid artery supplies the brain with blood.

The product line includes the MicroPlex, its first product; Cosmos, Complex and HydroSoft platinum coils for aneurysm treatment; HydroCoil and HydroSoft hydrogel coils; and the V-Trak coil delivery system.

Coils are about the diameter of sewing thread.

"In Orange County, we develop, design, manufacture and support the global distribution and marketing of the devices," Zive said, adding that MicroVention invests "very heavily" in research and development.

Parent Terumo spent about \$237 million on research and development in the 12-month period ending in March, the latest time frame for which figures are available.

"We've developed the know-how to do all these things and to expand upon [research and development]," Cappetta said, adding that OC has "a good ecosystem" for such work.

MicroVention has 141 research and development workers in Orange County and plans to increase that to 190 by the time it moves into the new headquarters, spokeswoman **Cathy Demyanovich** said in an e-mail.

Its devices compete with Ireland-based **Medtronic PLC**, the Codman division of New Brunswick, N.J.-based **Johnson & Johnson** unit **DePuy Synthes**, and Kalamazoo, Mich.-based **Stryker Corp.**'s neurovascular unit.

MicroVention tries to differentiate itself by emphasizing internal technology development, among other things, Zive said.

"We work very closely with customers to develop all the technologies," he said.

The company has a direct sales force for the U.S., Canada, certain European countries and Japan, and also works with distributors. MicroVention sells in Japan through Terumo's sales force, Zive said.

Cappetta noted that MicroVention has some products in Food and Drug Administration pre-market approval studies.

MicroVention was founded in 1997 in Aliso Viejo by entrepreneurs **Brian Cox** and **Bob Rosenbluth** and acquired by Terumo in 2006. It raised about \$53 million in venture capital from its inception until its acquisition.

"We were just a one-product shop," Cappetta said of the company's earliest years. "For us to be competitive, our strategy was to develop products in all the product categories across all the [neuroendovascular diseases]." ■