



## Medigard at 'critical' stage, but will need cash injection

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Nick Nichols, business editor | November 26th, 2009

AFTER almost six years as a listed company, Medigard is near the money end of its business plan as it progresses talks with manufacturers for its medical services products.

The Main Beach-based company also has flagged a possible capital-raising once it secures a production partner, described by company chairman Donald Channer as the 'most critical' part of the business.

"The outcome must embody high-quality instruments, the security of large-volume production, on time, and at a competitive cost," Mr Channer told shareholders at the company's annual general meeting yesterday.

"In most negotiations, the need for us to take charge of the key tools for the manufacture has become paramount."

Six US hospitals and clinics have been undertaking extensive clinical trials of Medigard's blood-collection device which Mr Channer said had received the 'highest acclaim and acceptance'.

"We are now confident that sales and distribution organisations are keen and ready to sign on and deliver volume orders."

The company, which also has developed a retractable syringe, was talking to three potential manufacturers.

Medigard, which holds a US patent for the blood-collection devices, is expecting its first distribution of products to begin in the new year.

About 700 million blood-collection devices are used each year in the US, a market that accounts for half the world's usage.

Medigard's chief executive Peter Emery said a capital-raising would be required once a production partner had been secured.

He said the funds, to be raised from existing shareholders, would assist in tooling and product development, as well as providing working capital.

Medigard's shares last traded at 11.5c. The shares are up from 4.5c this time last year.



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