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BIZBEAT

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MedStar's tech transfer efforts take first big step



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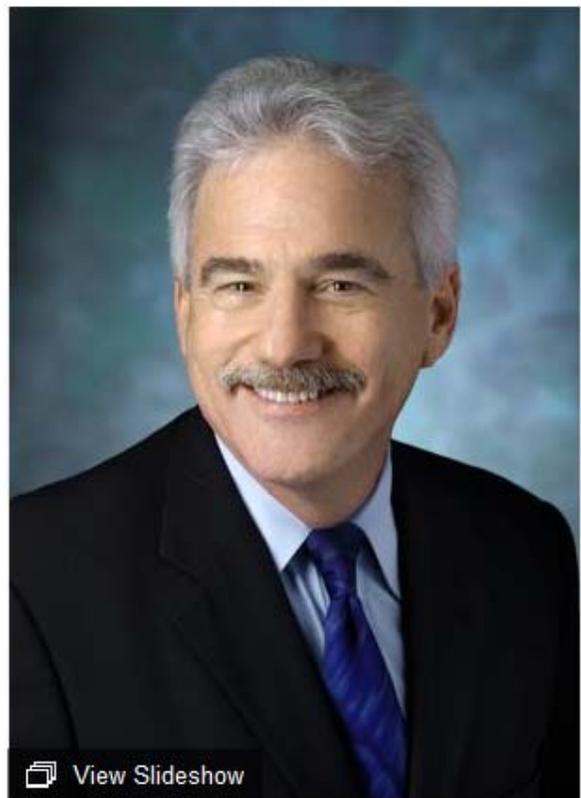
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[MedStar Health's](#) push into medical technology commercialization took a preliminary but big step when it [signed a licensing deal with a Beltsville company to develop an implantable ventilator.](#)

InnoVital Systems Inc., a spinoff of Techno-Sciences Inc., will usher the InVent Diaphragm Assist Device through further development, animal trials and clinical testing, with the hopes of attaining Food & Drug Administration approval in about eight years, CEO [Greg Hiemenz](#) said.

It's the most notable move yet toward invention-generated revenue for MedStar since June 2011, when the hospital system and the [Cleveland Clinic](#) formed a [technology transfer alliance](#). At the time, MedStar hoped the clinic's experience would help speed up its own commercialization efforts, but it still takes years, said Dr. [Mark Smith](#), director of MedStar's innovations institute.



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Director, MedStar Institute for Innovation

MedStar employees have submitted more than 200 invention disclosure forms, but this is the first to be licensed —and the payoff potential is huge. Hiemenz estimates a \$10 billion market awaits for an implantable mechanical device that allows patients with emphysema, Lou Gehrig's disease or other serious muscular or lung diseases to breathe.

"There's always got to be a first one," said MedStar's Smith. "This happened to be the first. I'm actually tickled it happens to be the first, but it's really got the potential — it's very early — but it's got the potential to be kind of a grand slam."

So far, the device is following the exact path MedStar officials envisioned when they decided to dive into technology transfer. Dr. [William Krimsky](#), director of the Center for Interventional Pulmonology at MedStar Franklin Square Medical Center in Baltimore, conceived the idea as a replacement for the external ventilators currently used. Those are based on old technology that keeps patients from speaking and carry a high rate of complications.

He brought his idea to MedStar's innovations institute, which worked in conjunction with the Cleveland Clinic to refine the idea. They then reached out to InnoVital, which has developed artificial muscle technology for helicopter blades and other products for defense customers. Krimsky is also chief science officer for InnoVital.

MedStar is still feeling its way, Smith said, and declined to give a time frame for future licensing deals for other medical devices or information technology products.

"Come back to me in a year," he told me. "It takes awhile; you have a big organization that's never done this before. You have to establish a track record, a culture, a fertile ground of innovation."

MedStar is one of many medical providers who thinks it might, over the long term, augment stagnant revenue streams in traditional health care services by properly exploiting their doctors' own inventions. For instance, Children's National Health System and [Cerner Corp. created](#) an institute this year in part to commercialize health care IT ventures.