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SpineAlign Medical Announces Distribution Agreement

Hires Chris McAuliffe to Head Up All Global Operations

SAN JOSE, CALIF.-- (January 12, 2010) – SpineAlign Medical, Inc. (formerly SpineWorks Medical, Inc.) announced today that it has entered into a distribution agreement with ab medica SpA of Lainate, Italy to distribute its SpineAlign[®] Vertebral Body Replacement (VBR) System. The SpineAlign VBR is SpineAlign Medical’s first approved product under CE Mark registration for sale outside the U.S. that was designed for a transpedicular, minimally-invasive approach to vertebral body reconstruction and anterior spinal column support.

“We are very pleased with the distribution partnership we have with ab medica,” said Gary Grenter, President & CEO, SpineAlign Medical, Inc. “ab medica has earned the reputation as a premier distribution organization, led by experienced and dynamic leadership in many medical disciplines, including spine and orthopedics. Their specialty is the introduction and market development of new and innovative technologies. We regard our professional relationship as a true partnership in which each party has committed significant investments to bring our unique technology to clinicians and spine specialists to improve treatment outcomes in vertebral fracture management’.

SpineAlign Medical also announced that industry veteran, J. Chris McAuliffe, has joined the company as Chief Operating Officer responsible for global operations and technology commercialization. Most recently, Chris was Executive Vice President of sales, marketing and field operations for Paradigm Spine, LLC, a market leader in motion sparing stabilization technologies, where he led field efforts to complete the company’s PMA IDE trial for coflex™, and launched the DSS™ Spine Stabilization System in the U.S.

“Chris has a proven track record in commercializing disruptive technologies into the spine and orthopedic markets, combined with a strong foundation in clinical research, field operations and logistics management”, stated Mr. Grenter, “Chris and I worked together at Bioelectron (sold to Biomet Spine in 2000) and we were successful in positioning the company for acquisition after building a steep sales ramp and securing approval for key applications of the company’s core technology. I am pleased that Chris chose to join our team and I look forward to continuing our history of success in creating exceptional value for all stakeholders.” Grenter, former President and CEO of Kyphon, led Kyphon through its IPO in 2002, and has remained close to the VCF market.



“When Gary approached me about SpineAlign Medical, I was very intrigued”, stated Mr. McAuliffe. “Our previous efforts resulted in a great outcome for surgeons, patients and investors. As I learned more of the novel and proprietary qualities of the SpineAlign technology, it became clear that this technology is a game changer compared to current popular methods of treating VCFs.”

The SpineAlign device represents the first of many new innovations in the area of minimally invasive percutaneous vertebral body reconstructions to come from SpineAlign Medical. The treatment of spine disease is rapidly moving from open surgery toward less tissue disruptive procedures with the use of better imaging and innovative, minimally invasive devices.

About ab medica SpA

ab medica SpA is a global leader in the distribution of state-of-the-art medical technologies. Since its founding in 1984 by Mr. Aldo Cerruti, the company has been the forefront of the most advanced medical technologies with market-leading companies. ab medica SpA is the first privately-held Italian company holding the most significant partnerships with worldwide innovative market leaders. The company has successfully introduced an impressive range of revolutionary technologies in multiple market segments that are shaping the future of healthcare delivery. ab medica offers a full portfolio of services encompassing distribution, consultancy, and business development. It has 150 employees and generates over 55 million euros in annual revenues. The company’s highly qualified and trained sales force has coverage for the entire Italian market. ab medica SpA is headquartered near Milan, the industrial hub of Italy, and has offices in Rome, Padua, Cantù, Düsseldorf (Germany) and Lugano (Switzerland).

About SpineAlign

The SpineAlign device represents the first of many new innovations in the area of minimally invasive percutaneous vertebral body reconstruction and augmentation to be developed by SpineAlign Medical. The SpineAlign device is a vertebral body implant designed to treat fractures in the thoracic or lumbar spine in patients suffering from osteoporosis. The SpineAlign Implant is an expandable metal device made from nickel-titanium (Nitinol) alloy that provides internal scaffolding to engage the vertebral body endplates, while providing and maintaining lift until bone cement is injected. SpineAlign is available in two shapes and a range of sizes to address different anatomical needs for the treatment of vertebral compression fractures. Prior to injection of bone cement, the SpineAlign Implant is fully retrievable. The SpineAlign device is not yet commercially available in the United States but is currently in clinical evaluation to support a 510(k) filing with the FDA.

SpineAlign Medical, Inc., is an early-stage medical device company dedicated to the design, development and successful commercialization of minimally-invasive products for spine procedures.