

PHOENIX Business Journal

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New facilities to bolster state's cancer cachet

UA in talks with Phoenix to build \$140M center on downtown campus

BY ANGELA GONZALES
agonzales@bizjournals.com

After searching for the past few years for a hospital partner to develop a \$140 million cancer center on the Phoenix Biomedical Campus, the University of Arizona is moving ahead on its own.

UA is talking with the city about building a five-story, 250,000-square-foot structure on or near the downtown campus.

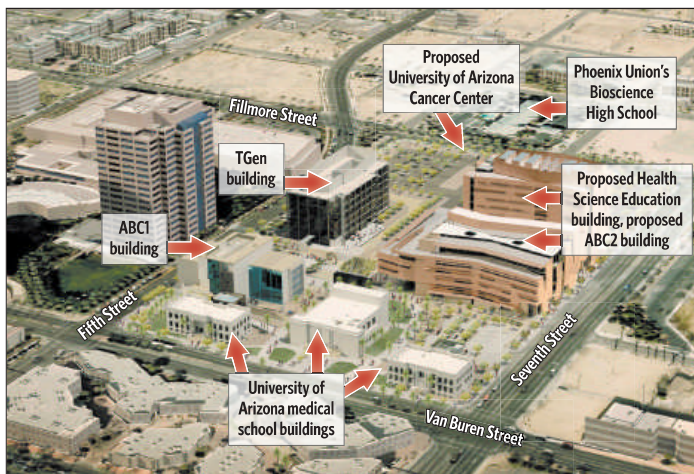
Such a facility would join the ranks of Mayo Hospital in north Phoenix, Cancer Treatment Centers of America in Good-year and the planned Banner Health-University of Texas M.D. Anderson Cancer Center in Gilbert, adding to the Valley's growing cachet as a cancer research and treatment hub.

Dr. William Crist, UA vice president for health affairs, said he is in preliminary discussions with Phoenix officials to build on city land.

"We haven't got the details worked out," he said. "We've got quite a lot of people interested in helping with this.



Crist



RENDERING PROVIDED BY UNIVERSITY OF ARIZONA

The University of Arizona wants to build a five-story, 250,000-square-foot cancer treatment center near the downtown Phoenix Biomedical Campus.

There are a lot of people affected by cancer."

Crist hopes to raise money from the private sector and work with the city to borrow money to fund the center.

Phoenix Mayor Phil Gordon said it is too early to say how much money would be raised from the private sector and how much would be borrowed.

"We are working on some exciting new financing vehicles to ensure that the cancer center, which has always been part of

the original biomedical campus concept, is accelerated substantially," Gordon said. "I'm working on this with federal agencies, with private individuals, with pharmaceutical and drug companies and foundations, and others to add to the biomedical campus."

Banner Health had been a potential partner to develop a hospital with UA on the Biomedical Campus, but those talks

SEE **CANCER** | 36

Gilbert office building will focus on cancer specialists

BY JAN BUCHHOLZ
jbuchholz@bizjournals.com

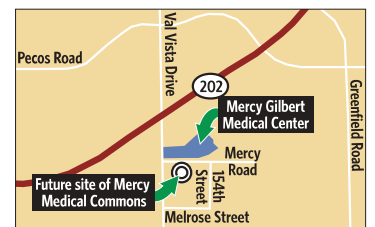
When Dr. Richard Cooper leased space for his 11-doctor surgical practice across the street from Mercy Gilbert Medical Center, he didn't realize this would translate into a new practice niche. But one thing led to another, and now Cooper is leading the charge to create a boutique cancer center in the proposed Mercy Medical Commons, south of the new hospital operated by Catholic Healthcare West.



Cooper

Cooper's Mesa-based Advanced Surgical Associates Ltd. will be joined by Arizona

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AMY MORRISON | PHOENIX BUSINESS JOURNAL

Suntech entry into Valley could spur local solar supply chain, jobs

BY PATRICK O'GRADY
pogrady@bizjournals.com

The addition of a Suntech Power Holdings Co. plant means a lot more to the Valley than having a new manufacturer in town.

The Chinese solar company could tie together jobs with a growing solar supply chain, including install-

ers. It also could mean cheaper products for buyers and lead to more solar-related companies locating in Arizona.

"We're really excited about the news," said Sean Seitz, founder and president of American Solar Electric in Scottsdale. "We've had good partnerships with some of the local providers."

Suntech officials announced earlier this week that

they planned to open a 100,000-square-foot manufacturing facility in the Valley capable of producing about 80 megawatts of solar panels a year. Although initial reports said the company might move its U.S. headquarters here, those offices will remain in San Francisco.



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Weekly list of Arizona stimulus opportunities and contract awards. Page 3 and phoenix.bizjournals.com



THE VALLEY'S SOURCE FOR
BREAKING BUSINESS NEWS

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Mesa company gets approval to market ultrasound treatment

BY ANGELA GONZALES

agonzales@bizjournals.com

A Mesa medical device maker has received approval from the U.S. Food and Drug Administration to begin marketing its ultrasound technology to perform eyebrow lifts without surgery. Next, it hopes the same technology will be OK'd for other applications ranging from the treatment of liver cancer to acne.

Using "intense therapeutic ultrasound," dermatologists and cosmetic surgeons will be able to see deep tissue while delivering focused energy into the skin without affecting the surrounding tissue, said Michael Slayton, inventor of the technology and chairman and CEO of Guided Therapy Systems LLC.

GTS created a spin-out company called Ulthera Inc. to commercialize the technology, entering a \$30 billion global aesthetics market. The company's technology is different from other in-office devices because it allows doctors to see under the skin's surface and deliver ultrasound energy to enable significant lifting of the skin, said Slayton, who also serves as chairman of Ulthera.

GUIDED THERAPY SYSTEMS LLC

HQ: Mesa

EMPLOYEES: 30

FOUNDED: 2004

PRIMARY INVENTOR: Michael

Slayton, chairman and CEO

SPIN-OUTS: Ulthera Inc. (15 employees),

for the eyebrow lift device used in dermatologist

and cosmetic surgeon offices;

Xthetix Inc. (no employees

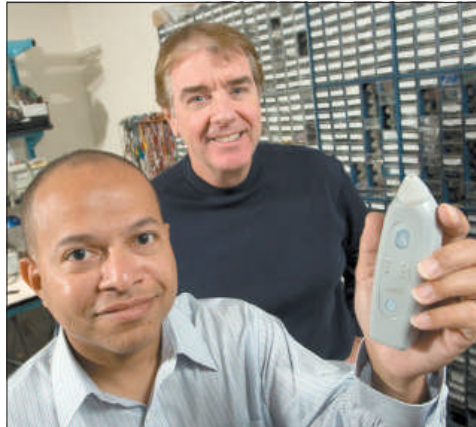
yet) to market a hand-held

consumer device to treat acne

WEB: www.guidedtherapy.com

Jonah Shacknai, president and CEO of Medicis Pharmaceutical Corp., a Scottsdale company that sells prescription skin treatments to dermatologists, said he wishes the new company success.

"It's a credible device for skin tightening with demonstrated value in raising the eyebrows," Shacknai said. "I've heard nice things about the product and we, of course, hope it does well. We always like



JIM POULIN | PHOENIX BUSINESS JOURNAL

Guided Therapy Systems' Brian O'Connor, right, and Peter Barth are developing this hand-held ultrasound device for consumers to prevent and treat acne.

to see Arizona-based companies that are not competitors of ours do well."

In addition to prescription skin treatments, Medicis treats pediatric asthma and podiatric fungal infections. The company also is nearing completion of U.S. clinical trials for an ultrasound fat-buster called Liposonix.

The GTS product is approved only for facial treatment, which means it will not compete with Liposonix, Shacknai said. Liposonix received approval this past summer to be sold in Canada, and Shacknai said he hopes to receive FDA approval to launch the product by 2011.

As Ulthera begins marketing the ultrasound technology as a facial treatment, GTS is focusing on using the same concept to develop a hand-held device to treat acne. GTS President and Chief Operating Officer Brian

O'Connor said he would like to see the device sold on retail shelves.

"We're now preparing commercialization of that as well," he said.

GTS has created another spinoff called Xthetix Inc. to market that device. O'Connor said it initially will be sold through physician offices and later will be marketed to consumers over the counter.

He said it is too soon to determine a price tag for the hand-held device.

"Based on clinical studies conducted to date, we expect the use of Xthetix devices to prevent the occurrence of acne and blemishes will become as common as use of a toothbrush to prevent tooth decay," he said.

Clinical trials for the device were conducted at Arizona State University.

GTS hasn't put a management team in place for Xthetix, said O'Connor, who also is serving as CEO of Xthetix.

Slayton said GTS has more than 100 patents issued, published or pending for its intense therapeutic ultrasound.

The Mesa company also is developing treatments for injured ligaments and liver cancer, O'Connor said.

GTS originally developed the ultrasound device for Johnson & Johnson to treat unresectable liver cancer, in which surgeons cannot cut the tumors out without damaging crucial blood structures. At the time, in 2000, O'Connor was working for J&J in Cincinnati as world-wide director of business development.

"We wanted to develop the next-generation surgical device that could leap-frog everyone else," he said. "We in-licensed this technology from GTS in Arizona."

J&J and GTS co-developed the product, but after three years and \$20 million in research and development, J&J decided not to pursue commercialization of the technologies, O'Connor said.

"All the technology and patents were returned to GTS," he said. "If GTS continues to commercialize these products to physicians, J&J receives a very small trailing royalty on product sales."

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