



**FMA Members:**  
**Notes from the meeting on Wednesday the 18<sup>th</sup> of April 2007.**

*Following is a brief outline of what topics were touched upon by Eric Windes his presentation Kyphon Inc.*

**Presenters:**

Eric Windes  
Operations Controller

**Overview:**

Vision: Improve patient quality of life through revolutionizing the practice of medicine.

Want to revolutionize medicine through minimal invasion therapy.

10 to 12% of patients, who have back problems, actually get treated today.

Osteoporosis is the biggest cause of back problems

What do you do?

Financial planning and analysis with computers, processes, and systems. He was involved with the due-diligence with the St. Francis acquisition. Accepted the offer on January 18<sup>th</sup> and are planning on going live on February 1<sup>st</sup>.

How many people did you have at Kyphon before acquiring St. Francis?

- about 950
- ½ which are sales people

What are the costs associated with this procedure?

- \$8000 roughly
- \$300 usually goes to the doctor

Due to the merger, has it affected the cost for the services and products provided?

- With the new products they have not changed much, the prices are relatively lower than their initial offering

Lots of people with bank problems, how many doctors know about this medical technology? Is this just on the forefront? You mentioned the

When company acquired St. Francis, the market saw Kyphon shoot up 30%. Usually, the stock goes down, but in their case, it increased.

Why St. Francis is an excellent fit?

Complementary growth platform that fits their mission.

Acquiring Disc-O-Tech which has a new device used for spinal surgery.

size of the market, how many know of this technology?

- We have been going on radio talk shows to spread this knowledge and opportunity for people.
- 10-12% actually goes through with these procedures.
- Lot of spread of word.

Success rate on existing products is significantly higher than old ways?

- Yes, significantly. 60% higher. This is due to a lot of clinical studies. The company is going through more clinical studies to find even more efficient procedures.

Any problems? Fatalities? Etc.?

- No, nothing severe.