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****Dallas Biomedical Corporation raises
\$12 million; appoints president

DALLAS--Dallas Biomedical Corporation, a private corporation designed to commercialize research at The University of Texas Health Science Center at Dallas and other local institutions, has raised \$12 million--exceeding its original goal by \$2 million.

In addition, the corporation's board has appointed a chief executive with a strong background in biotechnology. A. Devon Giacalone is Dallas Biomedical's new president. A graduate of Harvard Business School, she formerly was director of commercial development for Biogen, Inc., a Cambridge, Mass., biotechnology firm.

Prior to joining Biogen, Giacalone was an associate with Resource Planning Associates, Inc., an international management consulting firm in Cambridge, and Baxter Travenol, Deerfield, Ill. She has her undergraduate degree in biochemistry from Wheaton College, Norton, Mass., and spent a year as a research assistant in immunology at one of Harvard University's teaching hospitals.

"Ms. Giacalone will provide Dallas Biomedical with the specific business skills that are necessary for the success of the venture," says Dr. William Neaves, dean of the Southwestern Graduate School of Biomedical Sciences.

"She has a strong record as an analyst of the commercial potential of biomedical projects, and she has an extensive network of contacts in the biotechnology industry. Most important, she has the entrepreneurial spirit to lead this unique approach to technology transfer."

Dallas Biomedical, believed to be the first organization of its kind in the country, is the result of a special task force created by Dallas Mayor A. Starke Taylor to investigate ways of attracting biomedical industries to Dallas. Its beginnings have been auspicious.

The corporation's original capitalization goal of \$10 million has been surpassed by Dallas-area companies and financiers who already have invested \$12 million in Dallas Biomedical. Interest from this capital will be used to fund the commercialization of projects that are first approved by a scientific advisory board at the health science center. Dallas Biomedical then will carry approved projects through development and into commercialization, which includes licensing ideas, selling ideas to other companies or starting companies that could be headquartered in Dallas.

UTHSCD, which is responsible for funding 50 percent of each project and will reap 50 percent of the profits, earlier this year received a \$3 million grant from the John A. Hartford Foundation to provide the health science center's matching funds.

(more)

Among the invited investors who have put their faith and money in Dallas Biomedical are Capital Southwest Corp; Cullum Companies, Inc. Employees Profit Sharing Plan; Diamond Shamrock; Equitable Securities, a subsidiary of MCorp; FrittsSesler Investments; Gaylord Broadcasting Co.; InterFirst Securities Co.; LTV Corp. Retirement Trust; Lomas & Nettleton Financial Corp.; Montgomery Companies; New Enterprise Associates III; New Venture Partners; Republic Investment Co., Inc., a wholly owned subsidiary of RepublicBank Corp.; J.F. Shea Co., Inc.; Southwest Enterprise Associates, Limited Partnership; Trammell Crow Partners; Henry C. Beck; Jane H. Browning; Edwin L. Cox; S. Roger Horchow; Peter O'Donnell Jr.; Charles N. Prothro and William T. Solomon.

The corporation's board of directors, which will operate independently of the university, will oversee its investments. Directors are Prothro, chairman of the board and managing general partner of Southwest Enterprise Associates; Dr. Charles J. Hora, SDS Biotech Corp., Painesville, Ohio; John D. Dienes, executive vice president, RepublicBank Dallas; Glenn M. Stinchcomb, chief financial officer, Gaylord Broadcasting, Dallas; Richard A. Cramer, trustee for the John A. Hartford Foundation; Giacalone; Charles W. Newhall III, general partner, New Enterprise Associates, Baltimore; Dr. James B. Worthington, manager of technology, Diamond Shamrock Corp., Dallas; and Peter O'Donnell, Jr., a Dallas investor.

Members of the university's scientific advisory board include, in addition to Neaves, UTHSCD faculty members Dr. Kern Wildenthal, dean of the Southwestern Medical School; Drs. Michael Brown and Joseph Goldstein, 1985 Nobel Prize winners; Dr. Jonathan Uhr, chairman of microbiology; and Dr. Alfred Gilman, chairman of pharmacology.

UTHSCD has more than 700 medical research projects under way at an annual cost of \$46 million, according to Neaves. The university's research gained international fame last fall when Brown and Goldstein received the Nobel Prize in Medicine for their research in cholesterol metabolism.

Giacalone will assume her duties in Dallas on April 21. At that time, she will begin evaluating proposed projects. Project proposals may be submitted to Giacalone, care of Southwest Enterprise Associates, 1266 Two Lincoln Centre/LB41, 5420 LBJ Freeway, Dallas, TX, 75240. Her telephone number is (214) 991-1621.

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Attachment: 1

ATTACHMENT TO: Dallas Biomedical Corporation raises \$12 million in equity financing, appoints president.

DALLAS BIOMEDICAL CORPORATION

FACT SHEET

Business	Commercialize biomedical and biotechnological development projects at The University of Texas Health Science Center at Dallas (UTHSCD) and other Dallas-area institutions.
Activities	Take biomedical projects from development stage to marketable products, services or independent companies.
Founding	March 1986 as an outgrowth of Dallas Mayor A. Starke Taylor's Biotechnology Task Force.
President	A. Devon Giacalone, who prior to this appointment was director of commercial development for Biogen, Inc., a major biotechnology firm specializing in human and animal health care. She held that position with the Cambridge, Mass., firm since 1984 and was responsible for new product planning and development, including joint ventures, licensing and in-house development. Prior to that, Ms. Giacalone had been manager of business development for Biogen since September 1981.
Funding	\$12 million in venture capital; Investors include Capital Southwest Corp.; Cullum Companies, Inc., Employees Profit Sharing Plan; Diamond Shamrock; Equitable Securities, a subsidiary of MCorp; FrittsSesler Investments; Gaylord Broadcasting Co.; InterFirst Securities Co.; J.F. Shea Co., Inc.; LTV Corp. Retirement Trust; Lomas & Nettleton Financial Corp.; Montgomery Companies; New Enterprise Associates III; New Venture Partners; Republic Investment Co., Inc., a wholly owned subsidiary of RepublicBank Corp; Southwest Enterprise Associates, Limited Partnership; Trammell Crow Partners; Henry C. Beck; Jane H. Browning; Edwin L. Cox; S. Roger Horchow; Peter O'Donnell Jr.; Charles N. Prothro; and William T. Solomon.
Other Income	Earlier this year, UTHSCD received a \$3 million grant from the Hartford Foundation, New York City, for commercial development of medical research. Those funds will be matched with monies from Dallas Biomedical to speed the transfer of research to commercial enterprises.
Board of Directors	C. Vin Prothro, managing general partner, Southwest Enterprise Associates; Dr. Charles J. Hora, SDS Biotech Corp., Painesville, Ohio; John D. Dienes, executive vice president, RepublicBank Dallas; Glenn M. Stinchcomb, chief financial officer, Gaylord Broadcasting, Dallas; Richard A. Cramer, trustee for the John A. Hartford Foundation; A. Devon Giacalone, president, Dallas Biomedical; Charles W. Newhall III, general partner, New Enterprise Associates, Baltimore; Dr. James B. Worthington, manager of technology, Diamond Shamrock Corp., Dallas; and Peter O'Donnell Jr., a Dallas investor.
Ownership	Private, for-profit corporation, with \$1.2 million to invest annually. Profits generated from products or corporations that are outgrowths of Dallas Biomedical funding will be shared equally by Dallas Biomedical and UTHSCD. The university will split its proceeds with the individual research scientists.
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