

Profitable control of radiation doses article published in the newspaper Finanstidningen.

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Last summer, software company RaySearch started selling its radiation therapy dose management software. It was not long before success was a fact – a pretax profit of SEK 14 million is expected already this year, with a full 60 percent profit margin.

"The software prototype was developed as part of my PhD thesis at Karolinska Institutet, which kept development costs relatively low. Wages, premises, and computers are the high-cost items," says CEO **Johan Löf**. Unlike their US counterparts, Swedish university researchers own the right to commercialize their discoveries.

Venture Capital

Johan Löf noted this and founded RaySearch, and venture capital company Affärsstrategerna joined him as a partner. One of the problems with shooting gamma rays at tumors is that you also injure the healthy tissue surrounding the tumor. The company's software calculates the optimal dosage and dose distribution in radiation therapy using a technique called IMRT, Intensity Modulated Radiation Therapy.

US health care providers recognize the benefits of the technology and government authorities have therefore raised reimbursement to medical facilities that use IMRT, which the company believes will fuel demand.

"Everyone Wants One"

"The technology doesn't need to be marketed - every medical facility wants one. Our primary target group includes about 2000 machines worldwide, but we expect that group to grow by almost 10 percent annually," says **Johan Löf**.

Philips-owned ADAC has sole rights to use the RaySearch module in its software until August 2004, and the company receives a fixed royalty for each license.

More Products

The company's systems developers are preparing for the time when the licensing agreement expires after 2004.

"A system like this needs constant improvement and we are also working on developing new products," says **Johan Löf**.

"We may also take over support for ADAC's software in Europe, in order to develop a closer relationship with the customers," he said.