

BUSINESS

DemocratandChronicle.com

TUESDAY, NOVEMBER 7, 2006

VirtualScopics to receive \$1.7M for drug research

Company will measure effectiveness of medicine

DAVID TYLER

STAFF WRITER

VirtualScopics Inc. said Monday it has signed a \$1.7 million deal with a "top 10 pharmaceutical company" to help that company study the effectiveness of an osteoarthritis drug.

Over the course of the 30-month contract, VirtualScopics of Pittsford will use its quantitative magnetic resonance image analysis technology to help determine if the drug works.

VirtualScopics said its image analysis can identify

small changes in tissue and bone that can offer information on drug effect and disease progression faster than standard x-rays.

"The relationship with this important client has grown steadily during the last four years," said Rosemary Shull, director of business development at VirtualScopics.

"We tend to work on some small projects," with a company and then perform increasingly larger tasks as drug testing moves along," said Jeff Markin, president and chief execu-

tive. "This is a pattern that we're happy is emerging."

It's the second big win in as many months for VirtualScopics. Last month the company announced two deals with MediciNova of San Diego for studies of the agent MN-029, which is potentially disruptive to certain cancers.

VirtualScopics, which was spawned out of technology developed at the University of Rochester Medical Center, employs 60 people. Its shares closed up a penny at \$2.81. □

DTYLER@DemocratandChronicle.com