

Published on FierceMedicalDevices (<http://www.fiercemedicaldevices.com>)

Covidien, NEA and Lightstone are backing a stealthy Irish med tech startup

January 9, 2014 | By Mark Hollmer

Covidien ([SCOV](#)), [New Enterprise Associates](#) and Lightstone Ventures are behind the Series A funding round for a new device company based in Ireland, forming the med tech investment world's equivalent of a superhero team-up.

None of the parties are disclosing financial specifics. But they'll be backing Fire1, a Dublin startup launched out of a California medical device incubator known as The Foundry that's focused on developing new therapeutic medical devices. Plans call for using the money to produce products that "address certain unmet medical needs." Beyond that, we're left with few other details.

Even so, the participating parties suggest that Fire1 will be a company to watch in the coming months. New Enterprise Associates, based in Menlo Park, CA, is among the world's [largest biotech venture capital firms](#). NEA launched a \$2.6 billion fund in 2012, a remarkable achievement in an era where VC firms have consolidated and become far more conservative dealmakers in med tech.

Lightstone Ventures, based in Palo Alto, CA, Boulder, CO, and Boston is a relatively new VC outfit, but it also has a substantial pedigree. VC titans Advanced Technology Ventures and Morgenthaler Ventures launched Lightstone in 2012 to focus on both cutting edge medical devices and biopharmaceuticals.

Consider also that The Foundry is a Menlo Park, CA-based incubator whose startups have gotten snatched up in recent years by Medtronic ([SMDT](#)), [Terumo](#), Stryker ([SSYK](#)) and Abbott ([SABT](#)), among others. That's where Covidien comes in. The Irish med tech giant said it joined in the Fire1 investment as part of its broader search for new medical devices and treatment technologies.

"Broadening our innovation focus is a key component of Covidien's strategy, and we believe this partnership can help us to bring inspired, clinically relevant and cost-effective new treatment options to market," Stacy Enxing Seng, Covidien's president of vascular therapies, said in a statement. "Partnering early with key venture firms and The Foundry gives us unique insight into some of the most innovative, early stage technologies."

Covidien's investment comes as it pursues an ongoing effort to slash jobs, close facilities and outsource in a bid to save money, a strategy that came into focus after the company spun off its drug business into a new company called Mallinckrodt ([SMNK](#)) in mid-2013. But as Covidien revamps, it's also targeting new technology that's far more developed than what Fire1 offers. In December, Covidien disclosed plans to spend \$860 million for Given Imaging ([SGIVN](#)), maker of the innovative [PillCam](#) oral endoscopic camera, a device patients swallow to give GI doctors a better view of the small bowel, esophagus and colon.

As part of the Fire1 investment deal, Enxing Seng will join the startup's board of directors, along with NEA General Partner Ryan Drant and Lightstone Ventures Partner Jason Lettmann. The Foundry's managing partners Hanson Gifford and Mark Deem are also on Fire1's board, and Deem is the company's founding CEO.

- read the [release](#)

Related Articles:

[Covidien is acquiring Given Imaging, maker of the 'PillCam' oral endoscope, for \\$860M](#)

[Covidien plans \\$18M Florida expansion as it cuts and reorganizes elsewhere](#)

[Covidien plots job cuts, plant closures to save \\$300M](#)

Source URL: <http://www.fiercemedicaldevices.com/story/covidien-nea-and-lightstone-are-backing-stealthy-irish-med-tech-startup/2014-01-09>



*Stacy Enxing Seng,
Covidien president of
vascular therapies*