

Press Release: May 23, 2007

OrthoPediatrics, LLC positions their headquarters in Warsaw, Indiana – “The Orthopedic Capital of the World.”

WARSAW, INDIANA – **OrthoPediatrics, LLC** is a bio-science company that is improving the resources available for treating children’s orthopedic disorders through inventing, designing, developing and distributing innovative and anatomically appropriate orthopedic devices for pediatric and small stature patients.

The concept for **OrthoPediatrics** originated in the mid 1980’s by Nick Deeter as a business idea to provide better splinting and bracing for orthopedic problems in children. Because of the highly competitive nature and low margins, the business never materialized. During the period between the mid 1980’s and the formalization of **OrthoPediatrics**, Mr. Deeter continuously monitored the pediatric orthopedic industry. He felt that because the trend for implantable devices in adults was becoming the norm, healthcare providers would eventually move toward some of the same philosophies in children. Beyond the trend to use implantable hardware rather than casting in children, the last decade has given way to regulatory reform enabling pediatric orthopedic products a high priority path through the FDA. With the declaration of Juvenile Arthritis as a National Healthcare Priority in a bill signed by President Clinton in October, 2000, the Medical Devices Technical Corrections Act of 2004 intended to remove the barriers to the availability of devices for the treatment of conditions affecting children, Mr. Deeter knew that the viability of OrthoPediatrics was growing near.

The current state of the pediatric orthopedic market is one of unmet needs and frustration among caregivers. Science suggests implantable devices are the best treatment for many conditions. However, regulatory agency barriers are just now reforming enough to allow reasonable economic entry for device manufacturers into the pediatric market. The pediatric market is much smaller than the \$28 billion world-wide adult orthopedic market, hence all the established orthopedic manufacturers are not interested in serving a what was a \$400 million US market in 2006. This \$400 million market makes the mission to improve the resources available for treating pediatric orthopedic conditions, a very viable business venture, which is necessary to fund the development of these much needed devices.

OrthoPediatrics, LLC was formally established in 2006 when Mr. Deeter formed a business team of orthopedic experts in engineering, marketing and manufacturing from Warsaw, Indiana – “The Orthopedic Capital of the World”. In order to ensure the clinical success of the devices, Mr. Deeter requested the help of many elite orthopedic surgeons from around the country. Together, the business team and surgeon experts are inventing and designing superior orthopedic implants for children. Mr. Deeter’s extensive background in orthopedics and technology transfer, coupled with his company start-up skills and global surgeon contacts brings the **OrthoPediatrics** concept to life as “The smallest Company in Orthopedics™”.