

# Foundation Radiology Group Raises \$10 Million In Venture Funding Led By Chrysalis Ventures

**PITTSBURGH, PA (April 13, 2009)** – [Foundation Radiology Group](#) (FRG), a provider of diagnostic imaging professional services to hospitals, outpatient imaging centers, urgent care centers, and long-term acute care institutions, announced today that it has raised \$10 million in the company's initial round of venture funding. Louisville, KY-based Chrysalis Ventures, a leading source of equity capital for young growth companies in the Midwest and South, led the Series A round. Health Evolution Partners, LLC, a manager of health care investment funds, and a limited partner in Chrysalis Ventures III, also invested through the Health Evolution Partners Innovation Network (HEPIN).

Founded in late 2006, FRG is a state-of-the-art diagnostic imaging professional services company offering a hybrid model of both on-site radiology and teleradiology solutions for hospitals and other institutions. The company's board certified radiologists are available 24/7/365 to provide readings in musculoskeletal radiology, neuroradiology, mammography, cardiac CT, interventional radiology, pediatric radiology, brain perfusion, vascular ultrasound, OB/GYN ultrasound, and general radiology. With this broad range of capabilities, FRG is ideally positioned to provide subspecialty radiological services to smaller hospitals and outpatient centers that cannot afford to keep subspecialists on staff, while also providing faster, more accurate interpretations than larger hospitals can provide for themselves.

“We are delighted to partner with Chrysalis and Health Evolution Partners for this important round of early financing,” said Dr. Brandon Chan, CEO of FRG. “In addition to capital, they bring valuable strategic insight and healthcare experience as we aggressively assert our leadership in this fast-growing market. The funds will be used to hire additional radiologists to support our aggressive growth plans to build the preeminent diagnostic imaging and radiology service bureau in the nation.”

According to [Koleman Karleski](#), Managing Director of Chrysalis, “Chrysalis continues to focus on young businesses that enhance the productivity of healthcare delivery, companies that provide services and enabling technologies that drive improvements in the relationship between cost and quality, and activity and outcomes. By merging the ubiquity of broadband technology with expertly staffed regional reading facilities, FRG is able to offer hospitals and other institutions superior quality and service at a much lower cost. The company is a great fit for our growing portfolio of healthcare information and services companies.”

Mr. Karleski and Roy Ziegler representing HEPIN will serve on the company's board of directors.

## About Foundation Radiology Group

Headquartered in Pittsburgh, PA the Foundation Radiology Group's mission is to build the preeminent diagnostic imaging, radiology service bureau and physician practice group network in

the United States. FRG uses state-of-the-art PACS technology, a unique, efficient workflow system, carrier-grade telecommunications infrastructure and the Internet to provide the fastest turnaround times in the industry for diagnostic imaging reads. FRG is focused on serving non-university affiliated health care institutions, with emphasis on serving the rural and suburban hospital segment. It seeks multi-year exclusive contracts for daytime and 7/24/365 radiology full service bureaus. The Group's administrative office, data processing and primary diagnostic imaging reading center is located at Three Gateway Center, in downtown Pittsburgh, where board-certified radiologists are available 24 hours a day. For more information, please visit [www.frg-rad.com](http://www.frg-rad.com).

#### **About Chrysalis Ventures**

Founded in 1993, Chrysalis Ventures is the premier venture capital firm in Mid-America, managing one of the region's largest funds for early-stage and growth investments. Chrysalis invests primarily in early-stage and expansion-stage companies in healthcare services and technology, media and communications, and emerging trends and technologies. Based in Louisville, Kentucky, Chrysalis has approximately \$400 million under management and has made investments in 60 companies. For more information, please visit [www.chrysalisventures.com](http://www.chrysalisventures.com).

#### **About Health Evolution Partners**

Health Evolution Partners is a manager of health care investment funds. It invests across the health care industry, from early stage to buyouts and from services to technologies. Health Evolution Partners invests in companies that will lead and become valuable in the new era of value-based, cost-effective and consumer-driven health care. To learn more, visit [www.healthevolutionpartners.com](http://www.healthevolutionpartners.com).