

INDUSTRY NEWS

SLEEPMATE TECHNOLOGIES CONTINUES TO SPONSOR THE SHARON KEENAN AWARD FOR EXCELLENCE IN EDUCATION



Once again Sleepmate Technologies sponsored the Sharon Keenan Award for Excellence in Education. Sleepmate has sponsored this award for the past 5 years. The award honors outstanding members of the American Association of Sleep Technologists (AAST) for their educational contributions to the sleep medicine profession.

The award is a tribute to Dr. Sharon Keenan, Ph.D. for her dedicated work and commitment to education in the field of sleep. Among many accomplishments, Dr. Keenan has published extensively on polysomnography. She is a principal lecturer at The School of Sleep Medicine in Palo Alto, California and at the University of Sydney Department of Medicine in Australia, and has been an invited speaker throughout the United States, Canada, Asia and Europe. In 1991, Dr. Keenan was the recipient of the Weitzman Award for Outstanding Contributions and Dedication to the APT, currently known as the AAST, and the William C. Dement Award. Dr. Keenan is the founder, director, and president of The School of Sleep Medicine, Inc.

This year's Sharon Keenan Award recipient is Mary Kay Hobby. Mary Kay received a monetary honorarium on behalf of Sleepmate Technologies, and a commemorative plaque from the AAST. Sleepmate is dedicated to providing education and training for sleep professionals.

Dr. Keenan and Joseph Anderson, RPSGT, RPFT, CRT-NPS, BS, Vice President of Sales and Marketing for Sleepmate Technologies, were present for the award presentation at the AAST business meeting in Minneapolis, MN on June 12th, 2007

NEWPORT HT50 VENTILATOR FOR EMERGENCY PREPAREDNESS



Newport Medical Instruments, Inc. (Newport Medical) announces that they have signed an agreement with The Virginia Hospital and Healthcare Association, the group that manages the State of Virginia's Emergency Preparedness program, to provide HT50 ventilators for deployment to six regions throughout the State.

In California, the San Bernardino County Department of Health, Office of Preparedness and Response just took delivery of over a quarter million dollars worth of HT50 ventilators as part of their ongoing disaster preparedness plan.

Additional HT50 sales to regions in Texas, Oregon and Pennsylvania demonstrate that the rugged, simple to use HT50 is ideal for State EP programs. It has a long lasting internal battery and complete ventilation capability for pediatric to adult patients, for invasive or non-invasive applications.

NEWPORT's "Total Solutions" program provides State and County Emergency Preparedness programs all the resources they need to acquire the proper ventilator equipment quickly and easily.

CHAD THERAPEUTICS SLEEP PRODUCT UPDATE



"We currently expect to submit the first 510(k) application to the FDA this summer and receive marketing clearance this fall for our initial proprietary diagnostic product for the sleep disorder market, and plan to launch our first commercial sleep product immediately thereafter. More than 10 million people in the U.S. alone are estimated to have a sleep disorder, and we believe our unique products will position CHAD to succeed in this large and rapidly growing market. "As described in detail in our press release on November 14, 2006, our sleep products offer many innovative, patentable features and capabilities that distinguish them from the competition. For example, our diagnostic device for performing unattended sleep studies, including at-home studies, is intended to enable ear, nose & throat specialists, pediatricians and primary care physicians to diagnose sleep disorders for the first time. Our therapeutic device will monitor and control the left and right nasal airflows individually for improved comfort throughout respiration, which we believe should to better compliance by patients with our device as compared to devices currently on the market. " Yager said. "We currently are negotiating and hope soon to close a financing to provide additional funding for the sleep product roll-out and to enhance our working capital," Yager said.

SEQUAL SELECTS RON RICHARD AS NEW SENIOR VP OF MARKETING AND SALES



SAN DIEGO - SeQual Technologies Inc., announced today that Ron Richard has been selected as its new senior vice president of marketing and sales.

Richard brings over 30 years of experience and extensive knowledge in respiratory, pulmonary, and sleep medicine to SeQual, most recently as senior vice president of strategic marketing for the Americas at ResMed Corp.

"Ron's background in marketing breathing devices is unparalleled – perhaps the best in the industry," said Vernon Pertelle, member of the SeQual board of directors and senior director and assistant vice president of the Tri-City healthcare district. "He's the perfect fit for SeQual in the most exciting growth period in company history. The new Eclipse is fast becoming the new standard in the U.S. for long term oxygen patients. It is the only device that serves as a single-source solution to meet all oxygen needs – and it reduces operational costs for oxygen providers as well. Ron's expertise and connections will help grow new markets for the Eclipse throughout the Americas, Europe, and the rest of the world."

Jim Bixby, SeQual CEO, said Richard knows the industry from the ground up.

"He began his medical career as a respiratory therapist and has advanced steadily through the ranks of several notable institutions and companies," said Bixby. "His insights will help SeQual in working with every aspect of the market – from the patient to the therapist to the provider."

Richard started as a therapist at the Wesley Medical Center in Wichita, Kansas. He then helped found a distributor of respiratory products and held a number of senior marketing positions at Nellcor Puritan Bennett, Total Sleep Diagnostics, and Thermo Medical Inc. At ResMed, he helped grow sales of its sleep-disordered breathing devices at a rate of 25 percent a year.

"The new Eclipse concentrator is one of the best-designed oxygen devices I've seen in my career for meeting the complete needs of patients, whether they are at home, out shopping, or traveling around the world," Richard said. "I'm excited about the opportunity to grow the Eclipse into an unequalled success story."

Richard joins SeQual on July 16. He succeeds Ed Radtke, a SeQual founder and current vice president of marketing and sales who recently announced his retirement. Radtke, with more than 30 years of sales and management experience in the home healthcare industry, will continue to serve in a consulting capacity with the company.

"Ed's leadership has helped SeQual vault from nowhere to achieving the number one position in the industry in battery operated concentrators in less than a year and number three in the overall medical oxygen concentrator market," said Bixby. "We wish him the best in his retirement and are also pleased he has agreed to continue consulting with us. We have nothing but praise for Ed and are incredibly fortunate to have had his wise advice and counsel over the years."

CHAD THERAPEUTICS OXYGEN PRODUCT UPDATE



"We have undertaken a comprehensive effort to reduce costs of existing products through international outsourcing and have developed new products with improved margin potential. We expect these initiatives to contribute to improved margins beginning in the current fiscal year. Examples of new products with higher margin potential include our BONSAITM pneumatic conserver, an important addition to CHAD's extensive line of oxygen conserving devices, and our OMNI line, our next-generation oxygen transfilling system. A significant upgrade to CHAD's pioneering TOTAL O2® Home Oxygen Delivery System, our OMNI line® meets the needs of a broader range of oxygen patients than ever before and gives homecare providers a powerful tool to reduce operating costs.

"While the new Medicare rule establishing a separate payment class for portable oxygen transfilling equipment has stimulated interest in our products, the impact of the latest change in home oxygen reimbursement - competitive bidding - is still uncertain. The good news is that competitive bidding is now underway in ten major cities. The winning bids will be announced later this year and go into effect on April 1, 2008. This should go a long way toward improving visibility on reimbursement rates and, we believe, stimulating demand for our products. We strongly believe that the most cost-effective products will prevail in the long run, and that CHAD's transfilling systems are the most cost-effective means to provide both stationary and portable oxygen to home oxygen patients," said President and CEO Earl Yager.