



DERMA SCIENCES INC SELECTS ALLEN & CARON FOR INVESTOR RELATIONS AND CORPORATE COMMUNICATIONS

PRINCETON, N.J. –December 17, 2007--Derma Sciences (OTCBB: DSCI), a provider of advanced wound care products, announced that it has selected Allen & Caron, Inc. as its agency for investor relations and corporate communications.

“Derma Sciences is in a period of strong growth due in part to our recent acquisition of the first aid division of NutraMax, as well as the FDA clearance of our MEDIHONEY™ products, and the licensing of DSC127, a novel drug for wound healing and scar reduction. With the help of Allen & Caron, we are preparing to step up our communications outreach to the investment community,” commented Edward J. Quilty, Chairman and CEO. “After a thorough review of several agencies, we chose Allen & Caron due to its solid reputation and history of increasing client profiles among institutional investors, which is an essential part of any plan to attract qualified investors. In addition I have worked with Allen & Caron in the past, and respect their work and their work ethic.”

Allen & Caron Chairman and CEO Joe Allen, said “Advanced wound care has shifted from basic moisture management at the site of a wound, to more active therapies. Derma Sciences is well positioned as an innovator, with wound care products based on honey, on silver, and on other substances that promote healing without the use of antibiotics. We believe investors will see Derma Sciences as a deep value company, with a market cap that far lags its revenues, developing and launching interesting new products with essentially no burn rate. We believe they will see that it is at a flexion point where value and growth coincide, creating a compelling investment thesis.”

Aside from its full lines of advanced and traditional wound care products, Derma Sciences continues to develop and commercialize key products such as MEDIHONEY™, MOBILITY1™ and ALGICELL™Ag. MEDIHONEY™ is the first honey-based product cleared by the FDA for wound and burn management. MOBILITY1™ is a patented novel intermittent pneumatic compression (IPC) therapy device which delivers segmented and gradient pressure to the lower legs of ambulatory and/or stationary patients. ALGICELL™Ag is a best-in-class antimicrobial silver alginate product.

With wholly owned and operated manufacturing facilities in Toronto and Nantong, China, Derma Sciences also offers state-of-the-art contract manufacturing services for OEM or private label products. The Company’s goal is to increase their leadership position in the growing field of wound and skin care, leveraging their key brands as well as their manufacturing capabilities, while bringing next-generation products and technologies to market.

About Allen & Caron

Allen & Caron is a full-service corporate, investor and marketing communications agency serving the needs of public companies. The Allen & Caron international client base includes emerging growth companies in a range of industry segments. The firm has offices in Irvine, California; New York City; and London; maintains a presence in Paris; and has an affiliate relationship with a leading investor relations firm in Italy.

About Derma Sciences

Derma Sciences is a manufacturer and marketer of advanced wound care products, with operations based in the US and Canada, and sales worldwide. The company sources Active Manuka (*Leptospermum scoparium*) Honey from Comvita New Zealand, Ltd. Comvita controls over 70% of the flow of manuka honey, and owns several patents around the use of honey in wound dressings. The Company has also obtained FDA clearance to market and sell its MOBILITY-1™ boot and compressor device for the treatment of venous ulcers, lymphedema, and other conditions that require compression therapy. For more information about Derma Sciences, Inc., visit its home page on the Internet at <http://www.dermasciences.com>.

Forward-looking Statements

Statements contained in this release that are not statements of historical fact may be deemed to be forward-looking statements. Without limiting the generality of the foregoing, words such as “may,” “will,” “expect,” “believe,” “anticipate,” “intend,” “could,” “estimate” or “continue” are intended to identify forward-looking statements. Readers are cautioned, that certain important factors may affect the Company’s actual results and could cause such results to differ materially from any forward-looking statements which may be made in this release or which are otherwise made by or on behalf of the Company. Factors which may affect the Company’s results include, but are not limited to, product demand, market acceptance, impact of competitive products and prices, product development, completion of an acquisition, commercialization or technological difficulties, the success or failure of negotiations and trade, legal, social and economic risks. Additional factors that could cause or contribute to differences between the Company’s actual results and forward-looking statements include but are not limited to, those discussed in the Company’s filings with the Securities and Exchange Commission.

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