DAXOR CORP
Form 10-K
March 29, 2001

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-K
Annual Report Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

FOR THE FISCAL YEAR ENDED	COMMISSION FILE NUMBER
December 31, 2000	0-12248

Daxor Corporation
(Exact name of Registrant as specified in its charter)

New York	13-2682108
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification Number)

350 Fifth Avenue
Suite 7120
New York, New York 10118
(Address of principal executive offices) (Zip Code)

Registrant's telephone number: (212) 244-0555

Securities registered pursuant to Section 12(b) of the Act:
Common Shares, $.01 par value
(Title of Class)

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark whether Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months and (2) has been subject to such filing requirements for the past 90 days.

Yes [X] No [_]

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-X is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this form 10-K. [_]

As at March 9, 2001, the aggregate market value of the voting stock held by non-affiliates of the Registrant was $ 21,645,253. The market value of Common Stock of the Registrant, par value $.01 per share, was computed by reference to the closing price of one share on such date, as reported by the American Stock Exchange, which was $14.35.

The number of shares outstanding of the Registrant's Common Stock, par value $.01 per share, as of March 9, 2001: 4,664,909 shares.

Documents incorporated by reference: The information required by Part III is incorporated by reference from the proxy statement for the 2001 Annual Meeting of Shareholders.

PART I.

Item 1. Business

Daxor Corporation is a medical device manufacturing Corporation with additional biotech services. The company was originally founded for cryobanking services. For the past 10 years, its major focus has been on the development of a rapid, accurate instrument to measure human blood volume. The company developed an instrument called the BVA-100 which is used in conjunction with a single use diagnostic injection and collection kit. The company maintains a website, www.daxor.com which describes its operations.

In mid-1998, the company achieved marketing clearance from the FDA for the instrument. In 1999, the company received clearance for it's specialized single use injection kit known as Volumex. In 1999, the company initiated beta testing for the Blood Volume Analyzer at Hospitals in the New York Metropolitan region. In the year 2000, the Company initiated marketing efforts outside of the New York region. Test results from hospital sites indicated that the Blood Volume Analyzer was accurate and provided information that was important in a wide variety of acute and chronic medical and surgical situations. The Company acquired a manufacturing facility for the injection kit components in Rochester, N.Y. The Blood Volume Analyzer is manufactured for the Company by an Original Equipment Manufacturer (OEM). The Company established its own small scale manufacturing facility in Oakridge, Tennessee for research and development purposes. This will also provide flexibility to meet potential increased market demand. The injection kit filling is performed by an FDA licensed radiopharmaceutical manufacturer. The Company has received United States, European Common Market, and Japanese patents for its Blood Volume Analyzer.

Blood volume measurement has been available for more than 50 years in formats which required as much as three to six hours of technician time with variable degrees of accuracy. Because of the time required, certain technical shortcuts were used which reduced the accuracy of the measurement. An additional problem was the difficulty of calculating an accurate expected normal blood volume for a specific individual. Normal blood volume has been shown to vary in relation to the degree of deviation from ideal weight. A leaner individual has a higher blood volume percentage of body weight as compared to an obese individual. The computations for an individuals normal expected blood volume were complex and time consuming. The Blood Volume Analyzer automated these computations. The basic requirements for a blood volume analyzer analysis is accurate measurement of the blood volume for a patient and an accurate calculation of the expected normal blood volume for that specific individual. The BVA-100 Blood Volume Analyzer provides blood volume measurement with an accuracy of approximately 98%. Preliminary results can be available within 20 minutes and final results within 35 to 45 minutes.

Measurement of blood volume is achieved by the use of an indicator or tracer which is injected into a patient which is then followed by the collection of timed blood samples. The volume of blood in a patient is inversely proportional to the dilution of the tracer. The measurement while relatively simple in principle, has been difficult to perform accurately and rapidly because of the high degree of precision required in each step. The standard techniques require the hospital or user to prepare an exactly matching set of standards and tracer injectate with precise and complete injection of the tracer. Because of the difficulty in achieving this type of precision blood volume measurements are performed in only a small minority of hospitals in the United States. The standard tests used to diagnose anemia, the hemoglobin or the hematocrit, measure only the thickness and not the volume of an individual's blood. These surrogate or proxy tests are well known to be misleading in many situations

where blood volume is abnormal. In acute situations, such as during surgical blood loss or after trauma, it may take 24 to 72 hours for the hematocrit to accurately or reasonably reflect the degree of blood loss. Patients may have delayed transfusions because the full degree of blood loss is not

reflected by these proxy tests. Delayed transfusions or fluid replacement may result in serious complications.

Pulmonary Artery Catheterization (PAC) which involves the insertion of a catheter into a vein through the right chambers of the heart has frequently been used as a surrogate technique to evaluate blood volume in critically ill patients. Pulmonary Artery Catheterization (PAC) measures pressure directly but not volume. In 1999, the Lutheran Medical Center (New York) presented its research on the first comparison of PAC with direct blood volume measurements in patients. Their findings confirmed that PAC could be inaccurate and misleading in patients who had significant blood volume deficits. Hypovolemia or low blood volume can be particularly dangerous during surgery and may lead to sudden severe drops in blood pressure. Such a drop in blood pressure, also known as shock, is associated with strokes, heart attacks or even sudden death.

The Company has received preliminary reports on the use of the blood volume analyzer in septic or toxic shock. Septic shock is associated with death rates as high as 40-70%. Lutheran Medical Center using the BVA-100 reported preliminary results in 40 patients diagnosed with septic shock who were found to have unanticipated low blood volume. The patients who were treated with fluids and blood to restore their blood volume, to normal levels had a markedly reduced death rate. These findings if verified on a larger scale would be very important for marketing the Blood Volume Analyzer. A primary goal of the Company is to have the Blood Volume Analyzer become a standard of care within hospitals as part of the decision-making process for administration of blood and intravenous therapy. If these preliminary findings in the treatment of septic shock are verified, it could be expected to have a significant impact on hospital demand for obtaining a Blood Volume Analyzer. Septic shock is a common daily occurrence in all hospitals. Major pharmaceutical companies have attempted to find pharmaceutical agents that will reverse shock. To date, these tests have been unsuccessful. A recent report on patients in septic shock indicated a slight improvement in patients who were treated with an experimental drug. It was reported that the anticipated cost of this drug would be $5000 per treatment. If additional studies confirm that correction of blood volume should be the primary focus on treating septic shock, then blood volume would become an integral part of the therapy for septic shock. The cost of a diagnostic kit is approximately $260.00. The combined cost of blood volume measurement and fluid and/or blood replacement would be significantly lower than the anticipated cost of the experimental septic shock drug.

The provision of this type of data in the opinion of the Company will provide critical information in a timely fashion not only in surgery but in other conditions such as heart failure and kidney failure. The Company believes that, if its blood volume measurement equipment were available in a hospital, it would be feasible for the hospital to routinely perform a blood volume test on every patient for whom a blood transfusion appeared to be indicated. There are over 4 million patients who receive blood transfusions every year.

The largest potential use for the Blood Volume Analyzer, is for evaluation and treatment of outpatients medical problems. Many disease conditions result in alterations of blood volume which may have serious consequences for the patient. A recent Mayo Clinic study estimated that there are 50 million Americans who have hypertension. Hypertension is caused primarily by two variables. There is either too much blood (hypervolemia) or fluid retention within the circulation

or too much vasoconstriction (tightening of the blood vessels). Diuretics are one major category of drugs used to treat hypertension. Diuretics cause the kidney to excrete salt and water and thereby decreasing the blood volume and lowering the blood pressure. A second major category of medications is vasodilators. These drugs relax the blood vessels, or vasoconstriction, and lower the blood pressure. Within each of these two major categories are drugs which work by different mechanisms but they all essentially fall into one of these two main therapeutic categories, diuretics or vasodilators. Treatment is often a trial and error approach because neither

vasoconstriction or blood volume is actually measured in a patient (with rare exception). One of the most serious complications of hypertension is loss of kidney function (renal failure) which may require a patient to undergo permanent renal dialysis. Over the past year, the company has received reports on patients treated for hypertension with diuretics, who have a low blood volume. The physicians treating these patients reduced or removed the diuretic therapy. African-Americans have been reported to have significantly higher rates of strokes, and kidney failure as compared to whites for comparable levels of elevated blood pressure. Diuretic therapy would be expected to be beneficial for patients whose elevated blood pressure is caused by an expanded blood volume and would be expected to be harmful for patients whose high blood pressure is accompanied by low blood volume. At the present time, there is inadequate data to determine whether African Americans as a group are more likely to be individuals treated with diuretics. It is well known that diuretics can cause blood volume to decrease to the point of causing disruption of kidney function. The kidney is particularly vulnerable to low blood volume. Kidney failure is a common complication of severe low blood volume. Medications which cause low blood volume, may contribute to premature renal failure. The measurement of blood volume in the treatment of hypertension may help prevent these types of complications. By measuring the blood volume within the patient, the physician can make a more rational or scientific choice in regard to the medical therapy to be administered.

It is estimated that there are 5 millions individuals that are treated annually for congestive heart failure. The January 2000 issue of the American College of Cardiology reported on a series of patients treated for congestive heart failure who had low blood volume and were decompensated. Over-treatment of congestive heart failure is very difficult to detect and symptoms of over-treatment can be confused with the primary disease itself. It is estimated that $38 billion is spent annually on treatment for congestive heart failure. Congestive heart failure is the number one reason for admission to hospitals in the US for patients over 65 years of age. $23 billion is spent annually on hospital treatment of congestive heart failure patients. Three thousand patients annually receive heart transplants. The overwhelming majority of patients treated for heart failure must be treated medically with a varied combination of drugs. The Blood Volume Analyzer is currently undergoing testing for utilization in optimizing the treatment for congestive heart failure patients. Results of this testing from the Heart Failure Center of Columbia Presbyterian Medical Center has been submitted for publication.

Syncope or sudden loss of consciousness is a major cause for hospitalization in the United States. Patients who experience syncope may suffer severe injuries. Some patients may experience light headedness without complete loss of consciousness. Evaluation of such patients includes neurological and cardiovascular testing, but usually does not include a blood volume measurement. Low blood volume can predispose to syncope. Patients with this condition are frequently treated with different types of drugs without precise knowledge of the underlying cause of the syncope. In March 2000, the Cardiovascular Department of the Cleveland Clinic obtained a BVA-100 Blood Volume Analyzer for

the Syncope Section. Preliminary results on over 200 patients in the Cleveland Clinic have demonstrated that a significant percentage of such patients have moderate to severe hypovolemia (low blood Volume) which would not have been diagnosed by the standard test. This scientific data is currently under review for publication. The Cleveland Clinic Cardiovascular Department is ranked number one in the United States according to the annual US News World Report Survey on US Hospitals. The Hospital itself is ranked number 4 overall out of more than 6200 hospitals in the country.

According to the Journal of Clinical Geriatrics, one out of every three elderly patients has a condition known as orthostatic hypotension. Orthostatic hypotension is a condition whereby when a person arises from a sitting or reclining position, the blood pressure drops. A sudden drop in blood pressure may cause dizziness or even loss of consciousness. One in eight elderly Americans experiences a hip fracture. It is unknown how many of these hip fractures are caused by patients

having a transient drop in blood pressure. A blood volume measurement can help differentiate the cause of orthostatic hypotension. Some patients with low blood volume caused by either low red cell volume or low plasma volume can be treated with medications. Patients who have a normal blood volume with orthostatic hypotension have a condition related to autonomic dysfunction or ineffective control of the constriction of small blood vessels. A medication is also available for this condition. Anemia or low red cell volume is a common occurrence in patient's undergoing drug therapy for AIDS, or patients undergoing chemotherapy for cancer. Epogen and Procrit which are manufactured by the Amgen Corporation, can provide therapy for such conditions. Procrit is distributed by the Ortho Division of Johnson & Johnson. The standard surrogate tests, the hematocrit and hemoglobin may not reflect the full degree of decreased red blood cell volume in such patients. A blood volume measurement can detect low blood volume in such patients which may be contributing to a profound feeling of weakness common in such conditions. Blood volume measurement can detect patients who have unrecognized low blood volume.

The chronic fatigue syndrome is a condition said to affect approximately one million Americans, particularly patients with low blood pressure. Low blood volume has been reported to be a factor in such conditions. The ability to measure blood volume with a high degree of precision and accuracy may identify patients who have low blood volume and are not optimally treated at the present time. Examples of other conditions with blood volume derangement are renal (kidney) failure and syncope (fainting). Measurement of blood volume permits more precise therapy.

There are several manufacturers which include Northfield Laboratories, Biopure, and Hemosol Corporation which are testing blood substitutes. These substitutes can be used for surgical procedures instead of donor transfusions. These artificial blood substitutes have the advantage of a long shelf life and the capability of being sterilized. They have the disadvantage of a shortened half-life in the body after transfusion. There have been recent reports in the New England Journal of Medicine that as many as 60% of patients undergoing Cardiac Bypass Surgery (CABG) experience some degree of measurable permanent brain damage such as memory loss. Under current transfusion practices, patients may undergo major surgery with half the concentration of the normal red cells. The practice of undertransfusion is widespread. In the Journal Transfusion, Dr. Robert Valeri, a senior researcher of the Boston Naval Hospital estimated that there may be as many as 40,000 heart attacks per one million operations due to undertransfusions. The Company is attempting to initiate a cooperative program which will involve the use of blood volume measurement combined with the use of blood substitutes during surgery. The Company believes that it can provide a

significant advantage to companies testing blood substitutes without precise knowledge of a patients actual blood volume. Patients who have initial low blood volume at the initiation of surgery may respond very differently from a patient with a normal blood volume treated with a blood substitute. The Company also has initiated discussions with representatives of both Johnson & Johnson and Amgen for sponsorship of studies utilizing blood volume measurements combined with products which stimulate increased red cell production. The current guidelines for the use of these products is based on hemoglobin and hematocrit measurements. These tests, however, may be very misleading in regard to the total amount of red cells a patient has in his/her body. A patient who has a low blood volume that is undetected may have an artificially elevated hematocrit. Such a patient may experience severe fatigue and other symptoms which could be improved by appropriate treatment. It is only with the use of a blood volume measurement that the lower red cell volume could be detected and treated. Blood volume measurement which could detect low blood volume in patients with cancer, kidney disease, heart failure could significantly increase the justification and use of these blood stimulants.

In 1998, the medication Viagra, produced by Pfizer for erectile dysfunction was associated with sudden death in a limited number of cases in patients who used vasodilators such as Nitrates. Unrecognized low blood volume was suspected as a possible factor in some of these cases. The company is currently conducting a small

study on blood volume measurements on potential Viagra users who might benefit from a blood volume measurement prior to Viagra use.

The Company believes that the most significant market for its blood volume measurement equipment consists of approximately 8,500 hospitals and Radiology Imaging Centers in the United States. The Company believes that there is an additional international market of 10 to 14,000 potential users of its BVA-100. Blood volume measurement is an approved test with six separate CPT codes. Reimbursement has been received from a number of insurance companies for measurement of blood volume using the BVA-100. Reimbursement is particularly important for hospitals because hospitals may receive reimbursement and income from non-hospitalized patients who undergo blood volume measurement.

SCIENTIFIC MEDICAL SYSTEMS SUBSIDIARY (wholly owned by Daxor)

BLOOD BANKING

The Company's frozen blood bank is the only blood bank in New York that allows people to store their own blood for up to ten years. In 1985, the Company established the first facility in the United States for long-term autologous (self-storage) blood banking. The blood banking industry is a group of for-profit and not-for-profit corporations whose total revenue is estimated to exceed six billion dollars.

Utilizing cryobiology technology, frozen blood has been shown to be capable of being stored for up to 20 years. The present donor system of blood transfusions presents risks to those individuals receiving blood. This is a risk which can be avoided by utilizing one's previously stored blood. There are approximately 15-18 million blood transfusions administered annually to 4 million patients.

Compounding the risks of infection and other complications, is the frequent withholding of blood from severely anemic patients by their physicians because of these known risks of transfusion. It is a common medical practice to replace the first three pints of lost blood with three pints of sterile water or their equivalent. This problem has not been brought to public attention, but is widely

known among physicians who have treated patients who have lost blood. The number of patients who suffer major complications, including sudden death, from under-transfusion is unknown but significant. Patients who have decreased blood volume are termed 'Hypovolemic'. The Blood volume Analyzer has the potential to detect such individuals before complications from under-transfusion occurs. Physicians who fear the complications of transfusion with potentially contaminated blood do not have these concerns when patients use autologous blood (self-storage).

The Company believes that an educational process will be required to establish the desirability of autologous blood storage and to overcome opposition to any change in the current blood banking system from established tax-exempt (non-profit) and profit-making entities. The company believes that it can work with some voluntary blood banks to establish joint marketing of long term frozen personal blood storage programs.

Blood Banking services are provided by a broad spectrum of organizations. Approximately one-half of the blood supply used for transfusions is supplied by the American Red Cross and its affiliates. The other portion is supplied by various other tax-exempt and for-profit organizations. Some hospitals operate their own donor services, but require the services of outside vendors such as the Red Cross for adequate supplies of blood products. At the present time there are no other organizations providing long-term personal frozen blood storage in the Northeastern United States. It is the company's intentions to form alliances with other short-term donor blood banks to expand frozen personal blood storage services. The

Company views personal blood storage as a supplement to and not as a competition to other existing blood donor services.

Idant (Division of Scientific Medical Systems, subsidiary of Daxor Corporation) Semen (Sperm) Banking

Idant, in 1985, was the first semen bank to institute an AIDS quarantine period for frozen semen. Viruses such as HIV and hepatitis B or C may be undetectable for up to 6 months in infected individuals. By freezing the semen of donors and re-testing the donor 6 months later the risk of hepatitis or AIDS can be virtually eliminated. In 1989, New York State and a number of other states enacted laws requiring sperm banks to freeze and quarantine sperm for a minimum of six months with donors being tested at the beginning and at the end of the six-month period. By storing semen from a large cross-section of sperm donors, Idant can closely match the physical characteristics of the sperm donor. The Company maintains a complete physical description of each donor on file and matches multiple physical characteristics and additional special characteristics sought by the family to those of the sterile father. The Company also provides, on request, special screening for rare hereditary recessive genetic traits. The increased likelihood of a child who resembles his recipient father can make the child, who results from artificial insemination, much more psychologically acceptable to the father.

Storage of Sperm for Personal Use

Idant pioneered both the technology and the commercial application of long-term preservation of human sperm for use in artificial insemination. The division has provided frozen semen services to physicians worldwide. Idant holds approximately 50,000 human semen units in long-term storage at its central New York City facility. The Company was the first semen bank in the state of New York, out of more than 50 licensed banks, to be accredited by the American Association of Tissue Banks. The Company's sperm bank facilities contain stored

sperm, which should remain viable for many years. Semen stored for 23 years, at minus 321 degrees, has shown minimal change (the Company has had documented normal births from semen stored 16 years). The Company's facilities are used by men who, for a variety of reasons, anticipate impairment of their ability to father children and by men who have been found to be marginally fertile. These men may now be able to have children by use of techniques that increase their fertility by treating their sperm to artificially inseminate their partners. The facilities are also used by men who plan to undergo sterilization by vasectomy, but who believe that they might desire children in the future. Artificial insemination using stored sperm is much more effective and less expensive than present techniques of vasectomy reversal. In addition, patients with a variety of diseases, including many types of cancer, store semen prior to undergoing treatment by chemotherapy or radiation. By utilizing cryogenic preservation facilities, these patients, who are frequently in their teens or twenties, will be able to father their own children after cancer treatment, despite the high risk of sterility and birth defects associated with treatments. The Company receives referrals for these services from multiple sources, primarily physicians.

The Company uses a customized carousel canister system in its sperm bank storage system. This permits retrieval of specimens from lower levels without removal of upper specimens. Only a few other sperm banks in the U.S. are known to have such a system. Most other banks use a "rack and cane" pull-up system, which requires removal of upper specimens from the tank to retrieve specimens at lower levels. In such a bank, a specimen may be exposed to a temperature change of -321oF (the temperature of the liquid nitrogen) to room temperature of 78oF more than 100 times during its storage lifetime. This will result in a gradual degradation of the specimen. In the Idant system the specimen remains under liquid nitrogen almost continuously while in storage. The Company is aware of only one other semen bank, which uses the carousel system for long term storage of semen. Idant periodically

spot-checks its bank storage to test viability of selected specimens of stored semen; results of these spot-checks have shown sperm samples held in excess of 23 years to have almost no loss in viability or change in condition.

Patent and Copyright Protection

The Company has received separate United States patents on its Blood Volume Analyzer (BVA-100) and for its Volumex injection kit. These are the only US patents ever issued for an instrument dedicated to the measurement of total human blood volume for a specific individual. The Company received a European patent covering 12 countries. The Company has received a Japanese patent for the BVA-100. The Company received the first patent ever issued for an instrument in Japan to measure human blood volume. The instrument is designed to work with an injection kit manufactured by the Company. It is theoretically possible to use the Blood Volume Analyzer without the kit by preparing the reagents used for the test. However, the cost and time for such preparations would be uneconomical and it is unlikely that a purchaser of the instrument would use it without purchasing the reagent kit. This is the first U.S. patent ever issued for a system, which permits a fixed quantitative amount of isotope to be injected for diagnostic purposes. The injection system was specifically designed for use with the BVA-100. However, it can be used for other diagnostic test purposes where a precise complete quantitative injection of a diagnostic reagent is required. The Company is currently investigating the filing of additional patents involving the BVA-100 system.

Marketing

The Company is marketing its Blood Volume Analyzer either on a direct sale,

lease, or an instrument loaner basis to potential users. Users are expected to be primarily hospitals, surgi-centers, and imaging centers (radiology). The Company also has been demonstrating its equipment at major trade shows such as Nuclear Medicine, Surgical Anesthesiology, and trauma conferences. The Company is also in the process of developing a network of dealers as well as it's own internal sales force. The Company recognized after the initial beta testing in 1999, that it was important to have the Blood Volume Analyzer at leading medical institutions. Publications and reports from such institutions are particularly important for acceptance by the general medical community. During the past 14 months, the following facilities acquired Blood Volume Analyzers, the Cleveland Clinic, ranked number 4 in the United States, Vanderbilt Medical Center, and New York Hospital Presbyterian Medical Center. The Mayo Clinic, ranked number 2, has also acquired a Blood Volume Analyzer. In the past 2 months, the Johns Hopkins Medical Center, ranked number one overall in the United States, and the National Institutes of Health, the leading US government research agency, have signed agreements to acquire a Blood Volume Analyzer. Hospitals and health facilities are exceedingly cost conscious in regard to acquiring additional medical technology. Blood volume measurement is an approved and reimbursable Medicare test. The Company's marketing efforts are focused on documenting the beneficial effects of blood volume measurement as well as developing cost benefit analysis studies. Such studies are particularly important to HMO's which focus on avoiding hospitalization when possible. Congestive heart failure for example, affects over 5 million Americans and is the number cause of hospitalization in the US. Blood volume derangements are an integral part of the disease process. The Company believes that patients whose blood volume is known can be more precisely and scientifically treated and have fewer hospitalizations. As these studies become available, they will be incorporated into the marketing program of the Company.

The Company has developed a website (http:// www.daxor.com), which contains extensive detail about the BVA-100 blood volume analyzer as well as examples of actual cases (with patient identities removed). The website permits rapid communication between marketing personnel and potential users prior to an onsite visit.

Competition

Blood Volume Analyzer

The medical technology market is intensely competitive. There are, however, no competing instruments manufactured or marketed which perform rapid semi-automated blood volume analysis, such as the BVA-100. The Company believes that its receipt of a United States, European and Japanese patent for its Blood Volume Analyzer provides significant protection against any future potential competition in the blood volume analysis field. The receipt of the U.S. patent for the injection kit system provides significant additional protection as the Company believes that the kits will be a major source of revenue. The Company believes that its main hindrance to market acceptability will be the need to demonstrate that its blood volume measurement equipment is capable of producing accurate data on a cost effective basis. Test kit costs will be modest relative to the cost of the critical information derived from the test. A blood volume measurement, for example in septic shock can literally mean the difference between life and death in terms of the therapeutic approach to the patient.

Blood Banking

The Idant frozen blood bank is the only facility that provides long term personal blood storage in the Northeastern United States.

Semen Banking

There are at least 300 sperm banks in the United States operated by either commercial entities or by academic institutions. The Idant semen bank was the first semen bank in the State of New York that was accredited by the American Association of Tissue Banks. There are less than 10 semen banking organizations in the United States that have achieved this accreditation. The Company has developed a web site (http: // www.Idant.com), which will be helpful for marketing purposes.

Regulation

The development, testing, production and marketing of medical devices is subject to regulation by the FDA under the Federal Food, Drug and Cosmetic Act, and may be subject to regulation by similar agencies in various states and foreign countries. The governing statutes and regulations generally require manufacturers to comply with regulatory requirements designed to assure the safety and effectiveness of medical devices. The FDA clearance for marketing of the Blood Volume Analyzer, BVA-100, and the associated quantitative injection kit marks one of the most important milestones in the history of Daxor. The products manufactured by and for the Company in regard to the BVA-100 are subject to continuing FDA regulations and inspections.

The New York State Department of Health regulates the Company's Idant semen and blood bank within New York State. The Idant Semen Bank and Blood Bank are divisions of Scientific Medical Systems, which is wholly owned by the Daxor Corporation. Scientific Medical Systems has its own separate directors. These facilities are licensed and annually inspected by the New York State Department of Health.

Employees

On March 19, 2001, the Company had 31 employees. None of the Company's employees are covered by a collective bargaining agreement. The Company believes that its employee relations are good.

Item 2. Properties

In February 1992, the Company signed a thirteen-year lease for a new facility at the Empire State Building. The initial space was for 10,000 square feet, with option provisions in the lease for up to 24,000 square feet. The company currently occupies approximately 7,500 square feet. In 1998 the company signed a lease for approximately 11,000 of manufacturing and office space in Rochester New York. The lease was signed when Daxor acquired the assets of the Wellport Corporation. Both leases contain CPI escalation clauses. The Rochester lease is subject to renewal in October 2001. The Company is considering relocating some of these facilities to Oakridge, Tennessee.

Item 3. Legal Proceedings

The Company had no litigation in 2000 and no pending lawsuits.

Item 4. Submission of Matters to a Vote of Security Holders

No matters were submitted to a vote of the Company's shareholders during the fourth quarter of 2000.

Item 5. Market for Registrant's Common Equity and Related Stockholder Matters

The common stock is traded on the American Stock Exchange under the symbol DXR.

1999

	High	Low
First Quarter.....	15 7/16	13 3/4
Second Quarter.....	14 2/8	11 3/4
Third Quarter.....	13 5/16	12 1/8
Fourth Quarter.....	18 1/2	12

2000

	High	Low
First Quarter.....	30 5/8	13 7/8
Second Quarter.....	20 3/4	10 2/8
Third Quarter.....	16 2/8	10 2/8
Fourth Quarter.....	13 3/8	10

On March 21,2001, the Company had approximately 222 holders of record of the Common Stock. The Company believes there are approximately 1900 beneficial holders.

The Company paid a single cash dividend, $.50, on the Common Stock in 1997. Any future dividends will be dependent upon the Company's earnings, financial condition and other relevant factors.

ITEM 6. SELECTED FINANCIAL DATA

The following table sets forth certain selected financial data with respect to the Company and is qualified in its entirety by reference to the financial statements and notes thereto, from which these data were derived, included elsewhere in the report. Selected Operations Statement Data:

	Ended December 31,		
	2000	1999	1998
Operating revenues	$ 635,868	$ 500,969	$ 324,192
Other revenues	109,920	74,407	
Dividend income	1,842,583	1,856,119	1,942,759
Gains on sale of investments	57,399	469,595	362,487
Total revenues	2,645,770	2,901,090	2,629,438
Costs and expenses:			
Operations of laboratories & costs of production	1,052,000	833,751	961,031
Selling, general and administrative	1,429,395	2,016,004	1,561,159
Interest expenses, net of interest income	198,341	147,105	484,563

Total costs and expenses	2,679,736	2,996,860	3,006,753
Net loss before income taxes	(33,966)	(95,770)	(377,315)
Provision for income taxes	21,228	1,360	43,145
Net loss	($ 55,194)	($ 97,130)	($ 420,460)
Weighted average number of shares outstanding	4,675,826	4,721,492	4,762,542
Net income per common equivalent share	($ 0.01)	($ 0.02)	($ 0.09)

Selected Balance Sheet Data:

	Year Ended December 31,		
	2000	1999	1998
Working capital	38,309,247	28,869,309	34,837,930
Total assets	49,575,118	35,846,065	44,056,349
Total liabilities*	10,903,280	6,566,496	8,752,515
Shareholders' equity	38,671,838	29,279,569	35,303,834
Return on equity*	0.00%	0.00%	0.00%

* Return on equity is calculated by dividing the Company's net income for the period by the shareholders' equity at the beginning of the period.

* Total liabilities include deferred taxes of $9,011,745 for unrealized gains.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

GENERAL

Idant Laboratories subsidiary contributed 59%, 99% and 100% of operating revenues in 2000, 1999 and 1998 respectively. The Companies operations in semen banking and blood banking (laboratories) have received limited promotion. The Company has taken steps to increase awareness of these services. The Company in the year 2000 received its first revenue from the Blood Volume analyzer. The potential market for the Blood Volume Analyzer is significantly larger than the Company's current operations. The Company anticipates that proceeds from Daxor's blood volume analyzer will be the primary source of revenue in the immediate future. The company believes that the potential market for blood volume measurement and analysis is between 15-20 million tests per year. Successful penetration of even a small fraction of the market would significantly change the company's structure. The Company intends to focus its major marketing efforts on the Blood Volume Analyzer.

YEAR ENDED DECEMBER 31, 2000 AS COMPARED TO DECEMBER 31, 1999

Total revenues were $ 2,645,770 in 2000, down from the $2,901,090 reported in 1999. Dividend income earned on the Company's securities portfolio was $1,842,583, a decrease from the $1,856,119 reported in 1999. Gains on the sale of investments was $57,399 in 2000 as compared to $469,595 in 1999. Net income before income taxes was a loss of $ 55,194 in 2000 vs. $97,130 in 1999.

YEAR ENDED DECEMBER 31, 1999 AS COMPARED TO DECEMBER 31, 1998

Total revenues were $2,901,090 in 1999, up from the $2,629,438 reported in 1998. Dividend income earned on the Company's securities portfolio was $ 1,856,119, a decrease from the $1,942,759 reported in 1998. Gains on the sale of investments was $469,595 in 1999 as compared to $362,487 in 1998. Net income before income taxes was a loss of $ 97,130 in 1999 vs. $420,460 in 1998.

LIQUIDITY AND CAPITAL RESOURCES

The Company's management has pursued a policy of maintaining sufficient liquidity and capital resources in order to assure continued availability of necessary funds for the viability and projected growth of all ongoing projects.

The Company continues to maintain its diversified securities portfolio comprised primarily of electric utility preferred and common stocks. The income derived from these investments has helped to offset the operating and marketing expenses of developing the Blood Volume Analyzer. The Company has followed a conservative policy of assuring adequate liquidity so that it can expand its marketing and research development without the sudden necessity of raising additional capital. The securities in the company's portfolio were selected to provide stability of both income and capital.

At December 31, 2000, the Company's short-term debt was $1,775,363 vs. $2,443,794 at 1999. At year-end 2000, shareholders' equity was $38,671,838. At year-end 1999, the Company had shareholders' equity of $29,279,569. At December 31, 2000 the Company's security portfolio had a market value of $48,722,403 vs. $34,867,286 in 1999.

In 1998 The Company purchased the assets of the Wellport Manufacturing Company. This Company had previously manufactured the injection kit. The Company now manufactures its own injection kit. The final filling and shipping of the kit is performed by an FDA licensed radiopharmaceutical manufacturer. In the year 2000, the Company leased additional space in Oakridge, Tennessee to manufacture its own BVA-100 Blood Volume Analyzers. The Company has a separate contract with an Original Equipment Manufacturer to manufacture additional Blood Volume Analyzers. The Company is considering developing additional manufacturing facilities for its kit system in Oakridge. This would involve transferring some of its Rochester operations to Oakridge. The Company is reviewing options to purchase some of the original equipment manufacturers who provide various parts of the BVA-100 Blood Volume Analyzer system. The Company is also involved in discussions with independent medical distributors to market the BVA-100. The Company offers to lease or rent, as well as sell its Blood Volume Analyzer (BVA-100) as part of an overall marketing plan. The Company will also loan an instrument for evaluation purposes.

The Company is also developing with one of its clients, a blood volume laboratory staffing program. Under such program, the Company may provide management services as well as equipment services. With respect to blood banking, the Company believes that it may be a valuable partner to companies which produce blood substitutes as well as companies that produce blood stimulants such as Epoetin Alfa. Blood volume measurement would enhance the

validation of these products. The Company will actively look to form such marketing alliances.

Year-end 2000 finds the Company in a satisfactory financial position with adequate funds available for its immediate anticipated needs.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities and Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereto duly authorized.

DAXOR CORPORATION

by: /s/ Joseph Feldschuh

Joseph Feldschuh, M.D.
President and Chief
Executive Officer
Chairman of the Board

Dated: March 22, 2001

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

Signature	Title	Date
/s/ Joseph Feldschuh Joseph Feldschuh, M.D.	President and Director (Principal Executive Officer)	March 22, 2001
/s/ Ron Baldry Ron Baldry	Vice President	March 22, 2001
/s/ Octavia Atanasiu Octavia Atanasiu	Corporate Treasurer Accounting Supervisor (Principal Financial Officer)	March 22, 2001
/s/ Virginia Fitzpatrick Virginia Fitzpatrick	Corporate Secretary	March 22, 2001
/s/ Stephen M. Moss Stephen M. Moss, PhD	Director	March 22, 2001
/s/ Bruce Hack	Director	March 22, 2001

Bruce Hack

/s/ James Lombard --- James Lombard	Director	March 22, 2001
/s/ Martin Wolpoff --- Martin Wolpoff	Director	March 22, 2001

Board of Directors:

Name	Title
Dr. Joseph Feldschuh	Chairman, President, & CEO
Stephen Moss	Director
James Lombard	Director
Martin Wolpoff	Director
Bruce Hack	Director

Item 14(a) (1). Index to Financial Statements

The following statements and schedules of Daxor Corporation are submitted herewith:

All other schedules for which provision is made in the applicable accounting regulations of the Securities and Exchange Commission are not required under the related instructions, are inapplicable or the required information is set forth in the financial statements filed herewith, including notes thereto, and therefore have been omitted.

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors and Shareholders of Daxor Corporation:

We have audited the accompanying consolidated balance sheets of Daxor Corporation as at December 31, 2000 and 1999, the related consolidated statements of income, shareholders' equity and cash flows for each of the three years in the period ended December 31, 2000. Our audits also included the financial statement schedules listed in the Index at Item F-9.

These financial statements and financial statement schedules are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these financial statements and financial statement schedules based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such financial statements present fairly, in all material respects, the financial position of Daxor Corporation as at December 31, 2000 and 1999, and the results of their operations and its cash flows for each of the three years in the period ended December 31, 2000 in conformity with generally accepted accounting principles. Also, in our opinion, such financial statement schedules, when considered in relation to the basic financial statements taken as a whole, present fairly in all material respects the information set forth herein.

Frederick A. Kaden & Co.

Brentwood, New York
March 12, 2001

DAXOR CORPORATION
FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEETS[UNAUDITED]

	December 31, 2000	December 31, 1999
ASSETS		
CURRENT ASSETS		
Cash	$ 18,439	$ 67,783
Marketable Securities at Fair Value		

December 31,2000 and December 31, 1999. (Notes 1 and 2)	48,722,403	34,867,286
Accounts receivable	107,927	6,745
Other current assets	363,758	493,991
Total Current Assets	49,212,527	35,435,805
EQUIPMENT AND IMPROVEMENTS		
Storage tanks	125,815	125,815
Leasehold improvements, furniture and equipment	836,813	825,794
Laboratory equipment	278,087	275,817
	1,240,715	1,227,426
Less: Accumulated depreciation and amortization	919,414	861,156
Net equipment and improvements	321,301	366,270
Other Assets	41,290	43,990
Total Assets	$ 49,575,118	$ 35,846,065
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	$ 42,431	$ 127,341
Loans payable (Notes 1 and 2)	1,775,363	2,443,794
Other Liabilities	73,741	33,738
Deferred Taxes (Note 1)	9,011,745	3,961,623
Total Liabilities	10,903,280	6,566,496
SHAREHOLDERS' EQUITY		
Common stock, par value $.01 per share: Authorized 10,000,000 shares: issued and outstanding shares 4,664,909 December 31, 2000 and 4,692,909 December 31, 1999	53,097	53,097
Additional Paid in capital	9,798,232	9,798,232
Net unrealized holding gains on available-for-sale securities (Note 1)	17,493,387	7,690,209
Retained earnings	16,140,652	16,195,846
Treasury stock	(4,813,530)	(4,457,815)
Total Shareholders' Equity	38,671,838	29,279,569
Total Liabilities and Shareholders' Equity	$ 49,575,118	$ 35,846,065

See accompanying notes to financial statements

DAXOR CORPORATION
STATEMENTS OF INCOME

	Year Ended December 31		
	(Consolidated) 2000	(Consolidated) 1999	199
Revenues:			
Operating revenues (Note 12)	$ 635,868	$ 500,969	$ 324
Other revenues	109,920	74,407	
Dividend income	1,842,583	1,856,119	1,942
Gains on sale of securities	57,399	469,595	362
Total Revenues	2,645,770	2,901,090	2,629
Costs and expenses:			
Operations of Laboratories & Costs of Production	1,052,000	833,751	961
Selling, General, and Administrative	1,429,395	2,016,004	1,561
Interest expense, net of interest income	198,341	147,105	484
Total costs and expenses	2,679,736	2,996,860	3,006
Net Loss Before Income Taxes	(33,966)	(95,770)	(377
Provision for income taxes (Note 9)	21,228	1,360	43
Net Loss	$ (55,194)	$ (97,130)	$ (420
Weighted Average Number of Shares Outstanding	4,675,826	4,721,492	4,762
Net Income per Common Equivalent Share	$ (0.01)	$ (0.02)	$ (

See accompanying notes to financial statements

DAXOR CORPORATION
STATEMENTS OF SHAREHOLDER'S EQUITY

	Three Years Ended December 31, 2000			
	Common stock Number of Shares	Amount	Additional Paid-in Capital	Retained Earnings
Balance at January 1, 1998	4,690,709	$ 53,097	$ 8,579,803	$16,713,436
Net loss for the year ended December 31,1998				(420,460
Purchase of Treasury Stock	(38,000)			
Sale of Treasury Stock	100,000		1,218,429	(2,353,755

Balance December 31,1998	4,752,709	53,097	9,798,232	16,292,976
Net loss for the year ended December 31, 1999				(97,130
Purchase of Treasury Stock	(59,800)			
Balance December 31, 1999	4,692,909	53,097	9,798,232	16,195,846
Net loss for the year ended December 31, 2000				(55,194
Purchase of Treasury Stock	(28,000)			
Balance December 31, 2000	4,664,909	$ 53,097	$ 9,798,232	$16,140,652

See accompanying notes to financial statements

STATEMENTS OF CASH FLOWS

	Year (Consolida
	2000
Cash flows from operating activities:	
Net income or (loss)	$ (55,194)
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation & Amortization	58,258
(Gain) loss on sale of investments	(57,399)
(Gain) loss on sale of equipment	
Change in assets and liabilities:	
(Increase) decrease in accounts receivable	(101,182)
(Increase) decrease in accounts receivable- Related Parties	
(Increase) decrease in other current assets	130,233
(Increase) decrease in tax refunds receivable	--
(Increase) decrease in other assets	2,700
Increase (decrease) in accounts payable,accrued expenses and other liabilities net of "short sales"	(83,910)
Total adjustments	(51,300)
Net cash provided by operating activities	(106,494)
Cash flows from investing activities:	
Payment for purchase of equipment and	

improvements	(13,289)
Proceeds from sale of equipment	--
Net cash provided or (used) in purchase and sale of investments	1,027,001
Net proceeds (repayments) of loans from brokers used to purchase investments	(668,431)
Proceeds from "short sales" not closed	67,584
Net cash provided by/(used in) investing activities	412,865
Cash flows from financing activities	
Proceeds from sale of treasury stock	
Payment for purchase of treasury stock	(355,715)
Net cash used in financing activities	(355,715)
Net increase (decrease) in cash and cash equivalents	(49,344)
Cash and cash equivalents at beginning of year	67,783
Cash and cash equivalents at end of year	$ 18,439

See accompanying notes to financial statements

DAXOR CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

The accompanying consolidated financial statements as at December 31, 2000 and 1999 and for the three years ended December 31, 2000 have been prepared in conformity with principles of accounting applicable to a going concern. Daxor Corporation operates in the medical services and technology industry.

The consolidated financial statements include the accounts of the Company and its subsidiary. All significant intercompany transactions and balances have been eliminated in consolidation.

(1) MARKETABLE SECURITIES

Upon adoption of FASB No. 115, management has determined that the company's portfolio is best characterized as "Available-For-Sale". This has resulted in the balance sheet carrying value of the company's marketable securities investments, as of December 31, 2000 and December 31, 1999 being increased approximately 119.30% and 50.19% respectively over its historical cost. A corresponding increase in shareholders' equity has been effectuated. In accordance with the provisions of FASB No. 115, the adjustment in shareholders' equity to reflect the company's unrealized gains has been made net of the tax effect had these gains been realized.

The following tables summarize the company's investments as of:

Type of security	December 31, 2000 Cost	Fair Value	Unrealized holding gains
Equity	$22,202,412	$48,721,503	$27,425,484
Debt	14,859	900	0
Total	$22,217,271	$48,722,403	$27,425,484

Type of security	December 31, 1999 Cost	Fair Value	Unrealized holding gains
Equity	$23,200,595	$34,866,386	$13,640,132
Debt	14,859	900	0
Total	$23,215,454	$34,867,286	$13,640,132

At December 31, 2000, the securities held by the Company had a market value of $48,722,403 and a cost basis of $22,217,271 resulting in a net unrealized gain of $26,505,132 or 119.30% of cost.

At December 31, 1999, the securities held by the Company had a market value of $34,867,286 and a cost basis of $23,215,454 resulting in a net unrealized gain of $19,420,553 or 82.30% of cost.

At December 31, 2000 and December 31, 1999, marketable securities, primarily consisting of preferred and common stocks of utility companies, are valued at fair value.

(2) Loans Payable

As at December 31, 2000 and December 31, 1999, the Company had loans outstanding aggregating $1,000,000 and $1,000,000 borrowed on a short term basis from a bank, which are secured by certain marketable securities of the Company. The loans bear interest at approximately 8.16%.

Short term margin debt due to brokers ,secured by the Companies marketable securities, totaled $775,363 at December 31, 2000 and $1,443,794 at December 31, 1999.

(3) Accounts receivable

Accounts receivable are deemed to be fully collectible.

(4) Equipment and Improvements

Depreciation of equipment and improvements is taken using the straight line method. For 2000, 1999 and 1998 the charges to income for depreciation using this method were $58,258, $72,395 and $66,406 respectively.

The cost of maintenance and repairs is charged to expense as incurred. The cost of betterments and additions are capitalized and depreciated over the life of the asset. The cost of assets disposed of or determined to be non-revenue producing, together with the related accumulated depreciation applicable thereto, are eliminated from the accounts, and any gain or loss is recognized.

(5) Other Liabilities

At December 31, 2000 and December 31, 1999, the Company also maintained a short position in certain marketable securities. These positions were sold for $67,584 at December 31, 2000, and $28,581 at December 31, 1999, and had respective market values of $43,287 and $53,275 resulting in an unrealized gain of $24,297 at December 31, 2000 and an unrealized loss of $24,694 at December 31, 1999

(6) Commitments and Contingencies

(A) Operating Leases

Future minimum rental payments under non-cancelable operating lease are as follows:

2001	$295,664
2002	$219,830
2003	$219,830
2004	$219,830
2004	$219,830
2005	

Rent expense for all non-cancelable operating leases was $406,768,$378,372 and $273,433 for the years ended December 31, 2000, 1999 and 1998 respectively.

B) Contingent Liabilities

The Company is not aware of any contingent liabilities at year end.

(7) Research and Development Expenses

Research and development expenses were $213,464, $15,000 and $564,275 for 2000, 1999, and 1998 respectively. All research and development costs are expensed in the year they occur.

(8) Interest Expense and Income

Interest expense was $200,741, $150,617, and $485,043 and interest income was $2,400, $3,512, and $480 in 2000, 1999 and 1998 respectively.

(9) Income Taxes

The following is a reconciliation of the federal statutory tax rate of 34% for 2000,1999 and 1998, with the provision for income taxes:

	2000	1999	1998
Statutory tax rate	0	0	0
State and city taxes	21,228	1,360	43,145
Provision for income taxes	21,228	1,360	43,145
Effective federal tax rate	0%	0%	0%

(10) Shareholders' Equity

During 2000, the Company purchased 28,000 shares of its own stock at a cost of $355,714.50.

(11) Subsidiaries

Daxor Corporation has formed a wholly owned subsidiary, Scientific Medical Systems, Inc., which has taken over the operations of the sperm bank, blood bank and laboratory in accordance with an agreement reached with the State of New York. The results of operations have been consolidated in these financial statements.

SCHEDULE I

MARKETABLE SECURITIES -- OTHER INVESTMENTS

The following tables summarize the company's investments as of:

	December 31, 2000		
Type of Security	Cost	Fair Value	Unrealized Holding gains
Equity	$22,202,412	$48,721,503	$27,425,484
Debt	14,859	900	0
Total	$23,215,454	$34,867,286	$13,640,132

SCHEDULE IX
SHORT-TERM BORROWINGS
Years Ended December 31, 2000, 1999, 1998

Column A	Column B	Column C	Column D	Column E	Col
Category of aggregate short-term	Balance at the end of period	Weighted average interest rate at end of the period	Maximum amount outstanding during this period	Average amount outstanding during the	Weig inte duri

borrowings				period
2000				
Banks	1,000,000	8.16%	1,000,000	1,000,000
Brokers	775,363	8.12%	1,443,794	1,089,312
All Categories	1,775,363	8.14%	2,443,794	2,089,312
1999				
Banks	1,000,000	7.65%	1,000,000	1,000,000
Brokers	1,443,794	7.47%	1,443,794	1,312,442
All Categories	2,443,794	7.54%	2,443,794	2,443,794
1998				
Banks	1,000,000	7.75%	1,000,000	1,000,000
Brokers	1,050,549	7.32%	1,267,365	1,262,341
All Categories	2,050,549	7.47%	2,267,594	2,262,341

The average borrowings were determined on the basis of the amounts outstanding at each month-end. The weighted interest rate during the year was computed by dividing actual interest expense in each year by average short-term borrowings in such year.

SCHEDULE X

SUPPLEMENTARY INCOME STATEMENT INFORMATION

COLUMN A	COLUMB B	
Item	Charged to costs and ex Year ended December	
	2000	1999
Maintenance and repairs	$ *	$ *
Depreciation and amortization of intangible assets pre-operating costs and similar deferrals	58,258	72,395
Taxes, other than payroll and income taxes	*	*
Royalties	---	---
Advertising costs	*	*

* less than 1% of total revenues for the year.