



Tour of Texas: Valence, Stellarray, Flux Farms, A&M, StemBioSys

Austin:

—Valence Health, a Chicago-based organization with offices in Austin and Corpus Christi, has sold the majority of its business to Evolent Health for \$145 million in cash and stock. Founded in 1996, Valence provides advisory and administrative services to hospitals, insurers, and physicians around providing value-based care. Valence is receiving \$35 million in cash and 5.84 million shares of stock in Evolent (NYSE: EVH), which is based in Arlington, VA. Valence shareholders can gain another 3.9 million shares in a potential earnout. Evolent is not buying Valence's business division for state insurance cooperatives, which will remain owned by Valence shareholders and operated as a separate entity. Evolent says Valence, which received \$45 million in venture funding since 2012, is expected to generate as much as \$85 million in revenue this year.

—Stellarray, an Austin imaging startup, is working with NASA to create a light, portable imaging device that can provide two-dimensional X-rays as well as 3-D computer generated images for long-term space missions. The project is part of a \$125,000 phase 1 SBIR grant awarded to the company.

—Virtuix, which makes the Omni virtual reality gaming device, has partnered with Hero Entertainment, a Chinese gaming company, to develop virtual reality content. The joint venture's first major customer, UNIS, intends to purchase as many as 10,000 Omni units and sell them to arcades and entertainment centers, Virtuix said. UNIS is one of China's largest suppliers of amusement machines.

Dallas:

—Flux Farms is bringing smart technology to hydroponic farms. The Dallas startup will begin selling its software and hardware packages this fall which uses artificial intelligence and sensors to tell farmers when crops need additional nutrients or water. Flux Farms's technology comes from the Israeli military, which used it for security purposes.

—Dallas police's use of a robot to kill a sniper who ambushed and killed five police officers is believed to be the first time civilian law enforcement has used what is typically a military tactic. The decision has provoked discussion among technology and law enforcement experts on such devices in relation to the use of lethal force by police.

—Addison Treehouse, a co-working space located north of Dallas, has a partnership with Southwest Airlines (NYSE: LUV) to host a "Soar to Success" business competition for minority- and women-owned businesses. The winner will receive a year of free travel from the airline.

Houston:

—Texas A&M University’s medical school has begun a new curriculum targeted to engineers with Houston’s Methodist Hospital. Starting next fall, the program will admit 50 engineers in its 200-member medical school class, who will pursue a specialized program aimed at boosting innovation. Katherine Banks, A&M’s engineering vice chancellor and dean of the engineering school, says they hope to create what she calls “physicianeers” who will embrace entrepreneurship in greater numbers than medical students in traditional programs.

San Antonio:

—**StemBioSys announced the company has a second distribution deal, one to bring its stem cell production products to South Korea in the coming weeks. Korean life science equipment distributor SeouLin Bioscience will begin selling StemBioSys products in the country. It’s the second distribution deal StemBioSys has announced since late May, following its first-ever deal with Funakoshi to sell its stem cell-based product in Japan.**

—Filestack is building a business based on application programming interfaces, or APIs, that helps upload documents and photos to new websites and mobile apps. The company was acquired by San Antonio-based investment firm Scaleworks in December. Filestack had previously been part of the Y Combinator program, and raised \$1.8 million in funding from venture firms such as Andreessen Horowitz.

—Dennis Kane, a board member at Invictus Medical, is now the company’s CEO. Kane took over for Tom Roberts, who had been CEO since 2012. Invictus is developing a medical device to alleviate pressure on the heads of newborns.

Source: http://www.heraldonline.com/2015/01/06/6676860_stembiosys-inc-to-present-at-biotech.html?sp=/100/773/385/&rh=1

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