

## BOY: Xenex amps up war against potentially deadly infections

Since arriving in San Antonio in 2012, <u>Xenex Disinfection Services</u> has continued to leverage its unique technology into a better way to squelch one of the deadliest risks in medicine — health care-associated infections. The adoption of its germ-zapping robots by an increasing number hospitals is helping reduce the rate of infections and possible deaths in the U.S. and around the world.

Xenex is battling a problem it said leads to as many fatalities in this country annually as AIDS, breast cancer and auto accidents combined. Its chief weapon is a machine that uses pulsed xenon technology to disinfect health care facilities, damaging potentially deadly bacteria and reducing infection rates.

Xenex, which was based in Austin before moving to San Antonio roughly six years ago, is finding an increased demand for its robots in the U.S. and abroad. The company added 50 clients in 2017 and saw its number of robots in service at medical facilities increase 24 percent last year, CEO Morris Miller said.

To date, about 400 hospitals have reached out to Xenex, and that number continues to increase. In September, for example, the company struck a deal with Serenus Biotherapeutics to market its devices in several African nations — including Botswana, Namibia and South Africa.

Miller began pitching a no-risk, infection rate-reduction program in 2017, and the initiative will become a far more important part of its business model moving forward. One of the first hospitals in the program saw its infection rate drop 49 percent and has since bought 16 robots.

"If we don't fix the problem, I won't send you a bill," Miller said.

Xenex could also see a spike in business from an expanded portfolio of products. In 2017, the company rolled out a LightStrike Disinfection Pod, at least partially in response to outbreaks of infections that were occurring in labor and delivery facilities and in some neonatal intensive care units.

"The hospitals have a lot of interest in that," Miller said.

Medical facilities can use the device to disinfect portable items, including computers and wheelchairs, which could have pathogens on them that are transported elsewhere.

"Using our pod, you can disinfect in a way that hospitals weren't even thinking about," Miller said. "That's been a big change."

Work has begun on prototypes for other potential products. It's part of a larger effort to further revolutionize the way health care facilities combat potentially lethal infections.

Miller said the road ahead could also include more collaboration with other companies.

"We are big enough now, we have a big enough footprint, that we are constantly getting approached by other companies," he said.

Continued growth will create a heightened need for increased funding and talent.

The financial aspect appears promising. Xenex raised \$40 million in a new fundraising round in 2017. That capital is enabling the company to expand its marketing and manpower.

Miller said recruiting has not been a challenge in the Alamo City.

"It's been a great place to pull talent," he said.

San Antonio has also provided Xenex access to a growing health care and bioscience industry — and to opportunities for fruitful collaboration.

"People in San Antonio tend to know who we are and what we are doing. That makes it easier to get things done," Miller said.

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