

Xenex Rebuts Clorox Attack Following NAD Press Release

SAN ANTONIO--(BUSINESS WIRE)--The Clorox Company has tried to limit <u>Xenex Disinfection Services'</u> ability to advertise the benefits of Xenex's Germ-Zapping Robot™ in comparison to competing mercury bulb ultraviolet (UV) light disinfection devices. In response, Xenex filed a declaratory judgment action against Clorox. The action asks the court to declare that Xenex may state that the Xenex robot contains "no toxic mercury" and that the Xenex robot is "faster than competing mercury devices."

Clorox and Xenex offer competing portable UV room disinfection devices used by healthcare facilities. The Clorox Healthcare Optimum-UV System uses bulbs that contain mercury to create UV light while Xenex Germ-Zapping Robots use pulsed xenon, an environmentally friendly, non-toxic inert gas, to create broad spectrum UV light.

Neither Clorox nor any other mercury UV company has a peer-reviewed published study that shows it has reduced healthcare associated infection (HAI) rates, regardless of how long the mercury UV devices are used. Xenex is the only UV company with peer-reviewed, published outcome studies showing reductions in Clostridium difficile (C.diff), MRSA and/or MDRO (multi-drug resistant organism) infection rates greater than 50 percent at hospitals using its technology.

NAD – National Advertising Division

In Dec. 2014, Clorox challenged Xenex's marketing claims through the National Advertising Division (NAD) which is a part of a "self-regulatory" body used by large consumer product companies to resolve advertising disputes. The NAD issued a press release on March 5, 2015 with the headline "Xenex Discontinues Claims for 'Germ-Zapping Robots' Following NAD Inquiry; Claims at Issue – Including Ebola Disinfectant Claims – Challenged by Clorox."

"When we looked at the complaints brought by Clorox over specific statements on the Xenex website, we decided to replace those claims objected to by Clorox with more specific language based on recent studies that focus on the science of our technology and our customers' success in reducing their infection rates," said Morris Miller, CEO of Xenex. "We informed the NAD that Xenex had ceased using the express statements complained of by Clorox and thought that ended the matter. Clorox subsequently objected to our statements (which they did not challenge in their NAD complaint) indicating that competing UV disinfection devices contain or use bulbs that contain toxic mercury, and that the Xenex germ-zapping robot is faster than mercury UV devices.

"Both statements are accurate. We filed the action to protect our ability to fairly compete in the marketplace."

Clarification on NAD Claims—Be More Specific

For example, in its NAD complaint, Clorox objected to the statement:

"Mercury bulbs contain elemental mercury, which means they are classified as hazardous and toxic."

Many, but not all, mercury bulbs are classified as hazardous waste. The mercury within these bulbs is toxic, not the bulb itself. Therefore, Xenex altered its wording.

To clarify, Xenex now says,

"Mercury bulbs contain elemental mercury. Mercury is toxic." Or: "Mercury bulbs contain toxic mercury."

Or: "No toxic mercury" (when referring to the Xenex Germ-Zapping Robot's bulbs).

Toxic Mercury

Mercury is universally recognized as a toxic substance. Hospitals and health organizations are looking for and often require mercury-free solutions. In January 2013, the World Health Organization (WHO) and Health Care Without Harm approved Mercury-Free Healthcare by 2020. In 2009, President Obama signed Executive Order 13514, Federal Leadership in Environmental, Energy, and Economic Performance, which states that the government will promote pollution prevention and the generation of waste by reducing and minimizing the quantity of toxic and hazardous chemicals and materials acquired, used, or disposed of. The bulbs used by Clorox and other mercury UV device providers contain mercury, which is a toxic substance. Special handling is required in the event of bulb breakage and depending upon the applicable state law and the amount of mercury present in the bulb, special rules may apply to disposal. These are important facts that hospitals should understand when selecting a portable room disinfection device.

Faster than Mercury UV Devices

The Xenex robot is designed for speed, effectiveness and ease of use, which allows a hospital's Environmental Services (EVS) staff to operate the robot without disrupting hospital operations. With a proven five-minute disinfection cycle, the robot can disinfect 30-62 hospital rooms per day (according to Xenex customers), including patient rooms, operating rooms, equipment rooms, emergency rooms, intensive care units and public areas. Nearly 300 hospitals, Veterans Affairs, DoD, skilled nursing facilities, ambulatory surgery centers and long-term acute care facilities use Xenex robots.

The Xenex robot is faster than competing mercury UV products. Based upon both the mercury manufacturers' recommended run and cool-down times and the peer reviewed literature, which should be referred to for evaluating both speed and efficacy, the Xenex robot is faster. No mercury UV provider recommends a run-time that is less than the five minute Xenex run-time for elimination of C.diff spores, and Xenex does not require any boot-up time or any cool-down time after use, which adds up to 15 additional minutes for mercury devices. While peer-reviewed studies show that the Xenex robot is effective in reducing the amount of C.diff in the patient environment when run in five minute positions, the peer-reviewed studies evaluating mercury UV devices and their ability to disinfect against C.diff spores reference cycle times between 40 and 90 minutes.

The Only UV Disinfection Device Proven to Work in the Hospital Environment.

In the last four years there have been 10 peer reviewed studies published confirming the efficacy of the Xenex Germ-Zapping Robot™ in the healthcare environment, including three studies showing a decrease in C.diff, MRSA and/or MDRO infections in patients when the hospital utilized the Xenex robot for room disinfection. Xenex is the only UV disinfection provider that has hospital customers publishing infection reduction results in peer-reviewed journals, most with greater than 50 percent decreases in their HAI rates.

About Xenex Disinfection Services

Xenex's patented pulsed xenon Full Spectrum UV room disinfection system is a pesticidal device used for the advanced cleaning of healthcare facilities. Due to its speed and ease of use, the Xenex system has proven to integrate smoothly into hospital cleaning operations. The Xenex mission is to eliminate harmful bacteria, viruses and spores that can cause hospital acquired infections in the patient environment, and to become the new standard method for disinfection in healthcare facilities worldwide. For more information, visit www.xenex.com.

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