



## **Medical-device firm Xenex attracts big Investment**

When Rackspace Hosting co-founder Morris Miller took on a new role as CEO of Xenex Healthcare Services in 2012, he made it clear that his top priority for the medical-device company was identifying and pursuing growth opportunities.

“It’s now time to actually help scale this company,” he said at the time.

Since then, Xenex Healthcare Services, under Miller’s leadership, has relocated its operations from Austin to San Antonio, changed its name to Xenex Disinfection Services and quadrupled its revenues.

Now, Xenex has secured \$11.3 million in new investor funding that will allow the company to pursue more growth opportunities.

Miller says the new funding will allow Xenex to continue product improvements and manufacturing for its patented pulsed xenon UV room disinfection system, which hospitals are purchasing at an increasing rate to help reduce health care-associated infections. The new funding will also allow Xenex to expand its workforce and its international presence.

Xenex currently employs roughly 75 personnel. Miller says that number will likely double over the next couple of years — and most of that workforce will be based in San Antonio.

Each year in the U.S., some 2 million people become infected with bacteria that are resistant to antibiotics, according to data from the Centers for Disease Control and Prevention. Roughly 23,000 of those individuals die as a direct result of such infections.

Xenex’s portable disinfection system destroys those viruses, bacteria, mold, fungus and bacterial spores in the patient environment that cause health-care-associated infections, or HAIs. Nearly 200 hospitals and Veterans Affairs (VA) facilities in the U.S. are currently using the Xenex room disinfection system.

Battery Ventures and San Antonio-based Targeted Technology Fund II are among the groups that have invested the \$11.3 million in Xenex. They believe there is an opportunity for the company to get its product into more hospitals in the U.S. and abroad.



“This should be in every single hospital,” says Miller about Xenex’s room disinfection system.

Xenex’s revenues will likely surpass the \$20 million mark this year.

“Last quarter was our biggest quarter ever,” Miller says, confident that Xenex will continue to see significant growth.

Last year, the company generated about \$5.8 million in revenue.

“The employees have enjoyed the change, says Miller about the decision to relocate Xenex to San Antonio.

It helps, Miller adds, that Xenex made the move at a time when San Antonio is actively seeking to expand its role in the bioscience arena.

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