

VentureBeat

Miox reaps the benefits of a global focus on clean water

Jeremy Jacquot | April 19th, 2008

The convergence of several global trends — rising populations, increased food production and declining water stocks — has helped turn the once dull water sector into a cleantech darling. Startups that specialize in filtration, purification and treatment technologies have popped up in recent years, with more likely to come as worldwide demand for clean water grows.

Miox, an Albuquerque, New Mexico, company that sells water purification equipment, has greatly benefited from these trends — having already expanded its presence overseas to over 40 countries. The company has received over \$30 million in venture capital funding, including a \$14.5 million second round in January 2007; its lead investors include Flywheel Ventures and Sierra Ventures.

Originally developed for the military to provide a low-cost water, chemical-free purification method, MIOX's purifiers are now used in a variety of industrial water treatment applications. When untreated water is added to the purifiers, it is mixed with salt and zapped with the simple push of a button; through a process known as electrolysis, the electric current separates the salt into its components — sodium and chloride.

The result, a mixed oxidant (a combination of chlorine and chlor-oxygen compounds) solution, can destroy all pathogenic microorganisms within the span of a few hours. Each purifier is able to process large volumes of water with only a little salt and simple camera batteries.

Mountain Safety Gear (MSR), a company that caters to outdoor enthusiasts, uses Miox's technology in its handheld purifiers. The technology has also been incorporated into large industrial machines, which are used in factories and municipalities worldwide. The \$1.5 billion City of Dreams casino in Macau, which will open in late 2008, will install eight of its industrial water purifiers, and the company recently announced a partnership with distributor DUPUY SAS to install its water treatment systems in France.

It also plans on opening a regional office in Hong Kong to manage sales in Asian markets. It used a chunk of the seed money it raised in 2007 to aggressively expand into Colombia, Mexico and other Latin American markets.

CEO Carlos Perea expects demand in developing countries, which lack advanced water-treatment infrastructure, to remain strong. Eastern European countries, which are struggling to modernize their infrastructure in time to enter the European Union, could be the company's next target; Romania was the first to purchase an industrial purifier last year to treat water in the River Bega. International sales accounted for 31% of Miox's total sales in 2007, and the company is on track to increase sales by 100% this year, according to Perea.

Purfresh, a Livermore, California, company that provides purification services to the food industry, has also seen its business surge over the last few years — spurred by large investments from corporate giants like Coca Cola and PepsiCo. In addition to its proprietary water purification systems, which use ozone to disinfect untreated water, it sells sunshields for increased crop yield and Intellipur, an informatics system which helps track food in storage or transit.

According to recent statistics, more than 1 billion people in the world currently lack access to clean water — a figure that is likely to worsen over the next 2 decades as the average supply of water per capita drops by a third. Companies like Miox and Purfresh will be well positioned to take advantage of this global trend.