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Firm commercializing University of Texas technology rounds up \$14 million venture capital investment

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AUSTIN, Texas—LabNow Inc. has received \$14 million in first-round venture investment for its point-of-care diagnostic system from the Soros Group, Austin Ventures and other investors.

The money will be used to develop the company's technology and to launch its initial product, CD4Now™, a point-of-care diagnostic tool for HIV/AIDS patients.

The device, which is based on technology developed at The University of Texas at Austin, quickly and accurately analyzes complex fluids such as blood.

"The introduction of the CD4Now diagnostic test gives us the opportunity to revolutionize the way HIV/AIDS is managed worldwide," said Rick Hawkins, chief executive of LabNow. "Considering the tens of millions of people who need this test, the potential impact is huge. We're now in the right position to capitalize on this opportunity."

The university has licensed the technology exclusively to LabNow and, with the investment, the university becomes a significant equity holder in the company.

"The University of Texas at Austin is pleased to commercialize the technology by participating with Soros, Austin Ventures and other investors as an equity partner in an Austin company with an international market," said Neil Iscoe, director of the university's Office of Technology Commercialization.

"The University of Texas is a rich source of technology that can make a difference in the world," said Venu Shamapant, an Austin Ventures partner. "Our participation helps bring that technology to the world and builds the Austin-area economy by creating companies and jobs."

The university has been moving aggressively to convert appropriate research into products, which creates companies and jobs.

"Two of our missions are to bring improvement to the world through research and to support the Texas economy," said Larry R. Faulkner, president of The University of Texas at Austin. "This technology and this company accomplish both."

"We appreciate the university's innovation and responsiveness in working with us to make sure this technology gets to the point where it can help people," Hawkins said.

Dr. John McDevitt, a professor of chemistry and biochemistry at The University of Texas at Austin, along with several colleagues, developed the device and has built a portfolio of patents for it.

The sensor is adaptable for any other medical diagnostic procedure and for uses in homeland security, environmental chemistry and process engineering.

McDevitt has worked with Bill Rodriguez, M.D., and Bruce Walker, M.D., (a Howard Hughes Medical Institute investigator) of Massachusetts General Hospital and Harvard Medical School, to develop the device for the HIV/AIDS blood test.

The device measures CD4 lymphocytes, which are the key markers of the disease and are the criteria used to determine when drug treatment begins.

More than 40 million people worldwide have HIV/AIDS and several organizations project that number could reach 85 million by 2010. Although pharmaceutical treatments are becoming more accessible to treat HIV/AIDS, adequate monitoring systems are not available to patients.

The LabNow device is composed of an automatic reader and assay-specific biochips. The CD4Now Test enables clinicians to determine quickly and reliably if antiretroviral therapy is working for their patients from a drop of blood and in less than 10 minutes.

For more information contact: [Tim Green](#), 512-475-6596.

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