



Safe-H2O is a water bio-detection company with breakthrough technology that rapidly measures a wide range of waterborne pathogens. Our goal is to reduce deaths and evacuations of hospitals, hotels and factories due to outbreaks of pathogens like Legionella and E coli.

Market Need

The systems that deliver water in our cities and run regular tests to protect against pathogens have a major flaw: Tests take 2-14 days. Impact: More people are sickened during a Legionella or E coli outbreak. Factories and hotels are shut down for days after an outbreak is cleaned up, waiting for the “all clear” test. The recent Legionella outbreak in NY State illustrated how a 14-day test increased fatalities and kept businesses closed longer.

Solution: Safe-H2O Rapid Pathogen Detection (RPD) System

1. **Rapid:** Water test data in 4 hours
2. **Simple:** Semi-automated, requires no special training
3. **Economical:** Affordable instrument and Kits
4. **Wide menu of assay Kits:** Legionella, E coli, Crypto/Giardia, etc.
5. **Portable:** RPD + sample preparation system in portable enclosure



Customers

- Water Labs: Front line for testing that protects our water potable water infrastructure. 2-14-day wait.
- Commercial Water Treatment Companies: Techs maintain hospital, cruise ship, factory and hotel water systems with chemicals and regular testing. Today they send refrigerated water samples to labs for pathogen tests.

\$1.6 B annual Global Water Pathogen Testing Market

Segment	Drivers	Segment Size
Commercial Water Companies	Legionella forces evacuation of hospitals, hotels and factories. NY Law requires all large buildings tested quarterly, hospitals monthly; increasing risk for owners putting pressure on maintenance companies.	25%
Water / Waste Water Labs	EPA requires more difficult, \$\$ tests – Crypto/Giardia, E coli 0157. Drought in West causing 30% drop in utility revenues.	60%
Factories	Multi- pathogen screens on factory floor, e.g. fresh produce wash	10%
Transportation	Portable system for cruise ship airplane and train on board water systems.. Cross border pathogen spread.	5%

Business Strategy

- **Sales Model:** each RPD instrument generates > \$15K per year in Kit revenue.
- **Sales Model:** Direct sales force for US water labs. Distributors for international water utility labs. Strategic sales agreements for sales to Commercial Water Treatment Companies.
- **Value Proposition:** Only test system that can confidently allow hospitals, hotels and factories to reopen quickly after a Legionella outbreak. Save water labs 50% on their most expensive tests



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Sales and Marketing Status and Plans

	Strategic Partner	Direct Sales	Distribution
2015	Global water treatment service provider asks for a rapid Legionella assay to improve response to their customers. Demonstrated prototype rapid assay that can count Legionella.	Selected by Isle Utilities to present to 5 regional water / waste water utilities – 15 sign up for trials of Crypto/Giardia and E coli. Alpha trial 11/15.	
2016	Demonstrate count + “live / dead” rapid Legionella test. Agreement with Global Commercial Water Treatment Company for Legionella exclusive and PO's. Ship 20 RPD's and 500 Kits.	Trials Q3, 5 systems, shipped Q4 for rapid Crypto/Giardia. Demonstrate rapid E. coli test and set up trials. Hire US regional sales teams. Booth at WEFTEC + conferences.	Start discussions with large Canadian Distributor for water / waste water utility labs.
2017	Train #1 Strategic Partner sales and technical support team. Close Strategic Partner(s) for South Asia and Europe.	Introduce Mobile Lab for E coli to reduce cost and time to repair broken water mains.	Sign up Canadian, European, South Asian, South American distributors.

Technology

- RPD: Compact instrument, 12 V, utilizing fluorescence scanning spatial cytometry. Qualified production line in place with supply chain. CE Mark.
- Kits: immuno-magnetic microbeads for high sensitivity. Unique, trade secret tech for dry Kits.
- Unique, patented, technology automates complex microbiology protocols.
- Only commercial genetic assay that accurately counts cells *and* determines viability.

Competition: Slow, media based tests (IDEXX, HACH) take 1 – 14 days. PCR tests (Pall Gene Disk, Roche, etc) take +2 days with no viability, require expensive capital equipment, and extensive training.

Company

- Offices and lab in San Jose, CA.
- Safe-H2O Inc. was co-founded by Dan Morrow, CEO, and Michael Jones, President. They combine extensive executive experience in Life Sciences, Medical Devices and Water with multiple successful profitable product launches and M&A exits.
- Advisers: Dennis Harris (Roche), Craig Martin (Keiretsu)

Investment

- Successful \$1.1 M Seed Round with Keiretsu and Keiretsu Capital
- Extend Seed Round \$300k May, 2016

