

Local technology startups take on Silicon Valley

By **Andrea Rumbaugh**

Through a series of games played on a tablet, BrainCheck can detect possible concussions within five minutes. This young company, piloting its product in KIPP charter schools, is boosting its exposure and is networking through a business accelerator at the Texas Medical Center.

“We are really excited to be at the heart of the Texas Medical Center,” said Yael Katz, CEO of BrainCheck.

BrainCheck, Katz said, is also collaborating with concussion researchers at the Texas Medical Center to advance the science around head injuries. It is one of 22 companies in the inaugural class of TMCx.

Announced in October, TMCx is part of the Texas Medical Center’s push to become one of the world’s premier life science commercialization clusters. It also opened TMCx+, for companies past the accelerator phase, and will finish building J-Labs @ TMC, an incubator by Johnson & Johnson Innovation, later this year.

“We want the best of the best to be here,” said Bill McKeon, chief operating officer for the Texas Medical Center and director of the Innovation Institute.

The Texas Medical Center, in turn, is part of a larger push to make Houston a hub for technology startups.

Some hot startups

As part of its annual Chronicle 100 report, which highlights top local companies and offers a snapshot of the business community, the Chronicle asked TMCx, the Houston Technology Center, Rice Alliance for Technology and Entrepreneurship, and Blair Garrou, managing director of venture capital firm Mercury Fund, to identify hot startups to watch. The list highlights 27 companies, including BrainCheck.

The city has a growing number of entrepreneurs, investors, accelerators and incubators, said Brad Burke, managing director of the Rice Alliance for Technology and Entrepreneurship.

Thriving alongside them is the Rice Business Plan Competition, which is hosted and organized by the alliance and Rice University’s Jones Graduate School of Business.

The student startup competition, billed as the richest and largest, has grown from nine teams competing for \$10,000 in prize money in 2001 to 42 teams from around the world competing for more than \$1.5 million in cash and prizes.

“It helps people take notice of Houston,” Burke said.

Many technology companies like Houston for its energy scene. Donald Williams likes collaborating with the city’s other renewable energy companies.

“We have a lot of like-minded companies that we can pool resources and information with,” said Williams, chairman and CEO of MTriGen.

MTriGen manufactures micro-trigeneration systems that generate power, heating and cooling. The system is designed to become a property’s main source of power. It connects to the power grid and will feed power back to that grid.

Distributed power

Williams said the technology is a major step in the evolution toward distributed power, in which electricity from units much smaller than traditional power plants can deliver power to the grid as well as receive power from the grid. These smaller systems can also share power among themselves.

Another organization helping entrepreneurs such as Williams is the Houston Technology Center, an incubator and accelerator that opened in 1999.

But a lot has changed since those early years, said Walter Ulrich, president and CEO of the technology center. Houston companies used to receive investments from Silicon Valley, and they would relocate there. Now the opposite also happens as companies move to Houston to grow.

“I believe Houston will be recognized as a center for technology innovation and commercialization,” Ulrich said, adding that he thinks the city will surpass Silicon Valley and Route 128 in Boston within 10 years.

Assisting that vision is collaboration by organizations. Medical Adhesive Revolution, for instance, won the Rice competition in 2014 and is now a member of TMCx. The company, founded in Germany, moved its commercialization efforts to Houston after the competition gave it access to mentors and experts.

'This momentum'

"Not taking advantage of this momentum would have been a big mistake," said Alexander Schueller, president of Medical Adhesive Revolution. Its manufacturing and research and development facilities remain in Germany.

Medical Adhesive Revolution developed a nontoxic, biodegradable adhesive that closes wounds of the skin, stops internal bleeding and seals organs inside the body. Having access to the Texas Medical Center, he said, will give the company exposure and early feedback.

"We want to strongly grow from this base here to create a world-class medical adhesive company," he said. andrea.rumbaugh@chron.com twitter.com/andrearumbaugh



Yael Katz is CEO of BrainCheck, which uses games played on a tablet to detect concussions. The startup is part of the Texas Medical Center's business accelerator.

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Donald Williams, left, chairman and CEO of MTriGen, observes as mechanic Isidro Sanchez works on a micro-trigeneration system that will feed power back to the power grid.