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Virox backs Sheridan grad to success Venture capitalists' determination and solid plan called key

By Steve Arnold

Randy Pilon of Oakville-based Virox Technologies told a venture forum of his company's seed money to help an inventor make a success of a new disinfectant being used to fight SARS and the Norwalk virus.

Randy Pilon's venture capitalists are a happy lot today. For every dollar they put into the Sheridan College graduate's plan to sell a new kind of disinfectant they got back \$1.86. Pilon heads Oakville-based Virox Technologies, the company behind the new hydrogen peroxide disinfectant hospitals used to combat SARS and the Norwalk virus and the U. S. government put into its anti-anthrax arsenal. Only six years ago Virox's product was little more than an idea -- a scientist had concocted a way of using a mix of chemicals to accelerate the bacteria-killing capabilities of hydrogen peroxide, but his lack of business experience and a solid plan meant no bank would put up the money he needed to get it into production. "We're glad he invented this, but he just wasn't sure what to do with it," Pilon told members of the Golden Horseshoe Venture Forum yesterday. Pilon entered the picture after meeting the inventor. He then wrote a business plan and gathered \$1 million in seed money from friends, family and contacts to get the first major advance in disinfectants in 30 years onto the market. In financing the venture, Pilon moved through several stages as the business matured -- the seed money provided by friends and family was replaced by cash from a venture capital fund which put in \$2.9 million and which he recently bought out of \$5.4 million. Today the patented technology is being used in everything from wipes used to mop up cruise ships hit with Norwalk, to hand sanitizers and disinfectants for farm equipment. Virox's clients include Bayer and JohnsonDiversey, the makers of Windex and Pledge. Pilon told his audience most of that success can be attributed to very careful planning, and a refusal to compromise. Specifically, he urged would-be entrepreneurs to get solid legal advice and to pay attention to shareholder and partnership agreements and to stand firm on the few points considered critical to the success of the business. "There's no such thing as a good off-strategy idea," he said. "Never go anywhere needing anything -- do it before you need it."

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