

BUSINESS

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# Med X Change grows product line, business downtown Bradenton

## HIGHLIGHTS

Med X Change, a manufacturer of digital video documentation systems for medical and surgical applications, is quietly growing in downtown Bradenton.



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BRADENTON -- It's an old story: Teen gets a Texas Instruments Ti-99 computer for Christmas, teaches himself programming, develops and sells software during the '80s, moves to Silicon Valley to build something everybody wants.



Now imagine this tale with a lot more struggling to develop a product and a niche market and put that now-47-year-old programmer in Bradenton. Then you'd have the story of Craig Scherer and his company, Med X Change.

Scherer is one of those technology pioneers who did software before anyone had really heard of the Internet. He founded Med X Change in 1993 in St. Petersburg selling a product that worked a bit like a Craigslist for used medical equipment, but printed search results on fax machines. Later, the company moved to Houston and to build websites and software products for the medical equipment industry. Med X Change moved to Bradenton in 2000.

About seven years into running Med X Change, a client asked Scherer whether he could create a product that would allow medical equipment sales people to do two-way vid

eo training and customer service over the Internet. He did, and it wasn't long before a few surgeons wanted something similar, but for digitally recording training- and education-related web casts from the operating room.

Based on initial interest, Med X Change marketed the product hoping to sell four or five video systems a year. Eighty-five sold in the first month.

"I realized I had something here," said Scherer, who now serves as his company's CEO.

Med X Change is now a growing company with a workforce of 25, up from just four in 2005. Since 2008, it has operated out of a building at 525 Eighth St. W., which serves as the company's offices and research and development center. Two years ago, the company renovated a couple of dilapidated buildings at 417 Eighth St. W. into a state-of-the-art manufacturing and warehousing facility.

Med X Change sells hardware and software centered around three high-resolution digital recording systems. It sells those systems -- the prices of which the company does not disclose publicly -- exclusively to medical equipment makers and distributors that integrate them into products such as Leica surgical microscopes, endoscopy systems and operating room gear.

The company is selling software that links video records to electronic medical records. One of the company's newest products is an app doctors can use on their tablet computers or smart phones to add notes to the video record and send the information to other health professionals or patients themselves.

Deborah Enochs, sales manager for Med X Change customer DB Surgical of Coral Springs, said her company has been buying the company's video systems for 10 years. Demand for the systems has never been higher as health professionals and their patients want visual records of medical procedures.

"So many different people really want to look at it," she said. "Now, it's not only for education, but for documentation."

Company is growing

Choosing to supply Med X Change's products to resellers has been a key to the company's growth. Seth Kardos, the company's president since 2011, said the arrangement allows Med X Change to put most of its energy into developing and building products, rather than marketing.

"It was the fastest way to build a sales force," he said.

One of the company's biggest challenges is maintaining current product lines for years at a time while still bringing new technology on line. Med X Change's research and development team is currently moving the product line toward 4K, the highest-resolution video that is commercially available. At the same time, the company has stockpiled hardware to continue building its current 1080p-resolution equipment for the next several years.

Corey Park, Med X Change's operations manager, is in charge of getting multiple products built on the company's single production line. Technicians build video systems in batches as customer demand dictates. To facilitate this, assembly headquarters were designed to accommodate anything product designers came up with.

"We can kind of react quickly in that way," Park said.

On track to add several employees in the next year, including a .NET software programmer, Med X Change remains in growth mode. Scherer said he expects demand for his products to grow as hospital and government regulations begin to require more video documentation. Future endeavors include migrating some software products to the cloud and expanding the high definition and ultra high definition capabilities of Med X Change products. The company is also a Google Glass Explorer, meaning they have been given permission to find ways to implement the head mounted displays with its products.

Med X Change expects to have finished 4K video prototypes for testing early next year.

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