



US agreement lifts QRSciences' profile



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PERTH-BASED security technology group QRSciences Ltd has reached a preferred pricing and licensing rights agreement with US company, Rapiscan Systems, for its developed technology.

The agreement covers the co-developed Rapiscan QXR1000 baggage and package screening system.

Under the terms of the agreement, Rapiscan will maintain preferred pricing and licensing rights, provided it places minimum orders in each of the next four years, which in aggregate totals about \$33 million.

QRSciences chief executive Kevin Russeth said the agreement brought Rapiscan's worldwide marketing, manufacturing and distribution power to bear for its Rapiscan product and was another major step forward in the growth of QRSciences.

"This success results directly from the extensive product testing and evaluation completed by the US Department of Homeland Security, through the Transportation Security Laboratory, and also from Rapiscan's initial marketing outreach," he said.

The QXR1000 product was jointly

developed by QRSciences and Rapiscan funded in part by a grant from the US Department of Homeland Security's technical support working group.

The device combines QRSciences' technology with Rapiscan's most widely deployed 520B X-ray unit. It provides an explosives and weapons detection solution for applications including baggage screening at airport checkpoints, public transportation facilities, high-security buildings and other critical infrastructure.

The QXR1000 recently completed evaluation testing with the US Department of Homeland Security and will be showcased and demonstrated to a range of federal agencies at an explosives detection conference in the US later this month.

The company's products are sold into four market segments: baggage and parcel inspection; cargo and vehicle inspection; hold baggage screening; and people screening.

Last month, QRSciences finalised an agreement to cross-licence a suite of patent and patent applications with GE Security, a business affiliate of the General Electric Company.

Under the terms of the licence, QRSciences will earn royalties on GE products incorporating its patented intellectual property, and GE will earn royalties on QRSciences' products that incorporate GE's proprietary patents and

patents licensed to GE by the US Naval Research Laboratory.

In March, QRSciences Ltd received an investment of \$1 million from its Australia, New Zealand and Oceania distributor, XTEK Ltd.

XTEK chief executive officer Nigel French said the investment of \$1 million would further enhance XTEK's expansion into the global market for innovative Homeland Security products and services.

QRSciences signed an agency agreement with XTEK in November last year, whereby XTEK became the sole distributor in Australia, New Zealand and Oceania of QRSciences' next generation of checkpoint screening technology.

QRSciences designs and develops systems, sub-systems, components and software for security related applications. The company develops quadrupole resonance (QR) technology, which uses radio frequency spectroscopy techniques to detect specific molecular structures, with additional capability in configuration sensitive metal detection and imaging.

QRSciences has a wholly owned subsidiary, QRSciences Corporation, based in San Diego, California.

Rapiscan Systems, a division of OSI Systems, Inc, is a supplier of high quality security inspection solutions utilising X-ray and gamma-ray imaging and advanced threat identification techniques.