



# Venture Capital Funding Quarterly

## **Alternative Energy • Clean Technology Energy • Environmental**

3<sup>rd</sup> Quarter, 2011 – United States

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## Summary

During the third quarter of 2011, a total of 59 companies received \$882 million in disclosed venture capital funding, representing a 6% decrease in the number of companies being funded and a 40% increase in the total amount funded in the four sectors of Alternative Energy, Clean Tech, Energy and Environmental.

The Alternative Energy, Energy and Environmental sectors showed deal funding volume increases, while the Clean Tech industry showed funding amount decreases versus the previous quarter.

## Funding Activity

### Alternative Energy

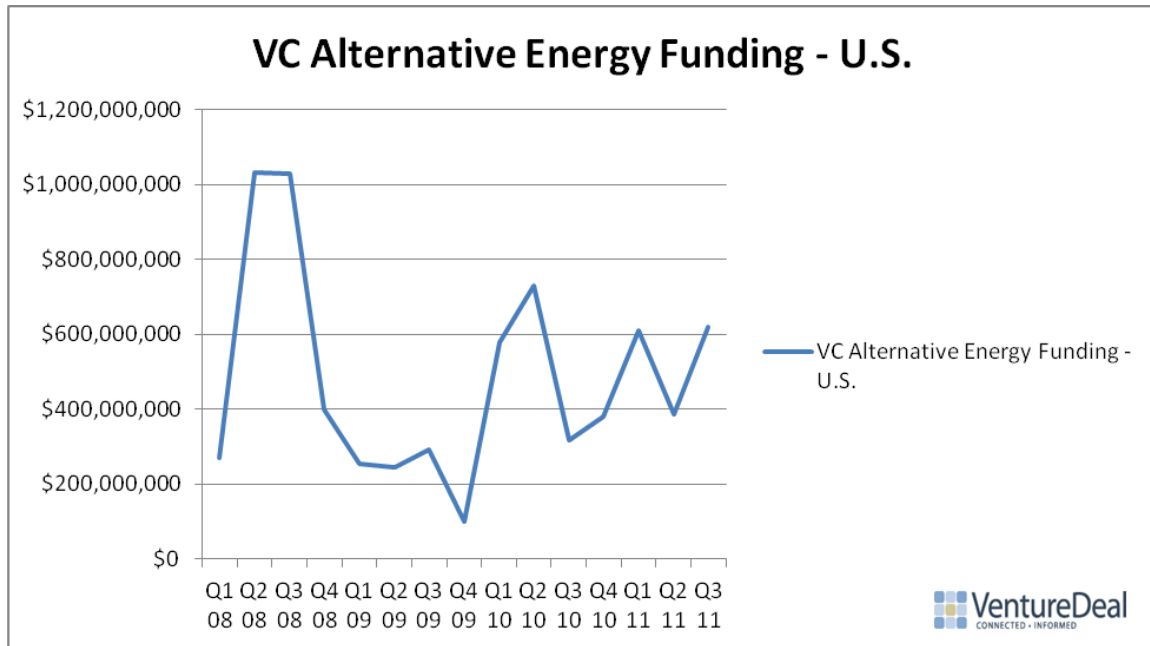
Alternative Energy companies, which include solar, biofuels, wind power, hydrogen and other non-fossil fuel energy developers, continued to receive the largest share of funding of the four industry sectors. 39 companies received \$619 million in venture capital financing, which represented an 18% increase in the number of companies being funded and a 60% increase in funding amounts versus the second quarter of 2011.

In the solar space, [HelioVolt](#) raised \$50 million from South Korean [SK Telecom Ventures](#). The company manufactures thin-film photovoltaic coatings that are applied directly onto conventional building materials. HelioVolt has raised in excess of \$200 million from a variety of venture capital and private equity firms.

In the battery technology space, [Aquion Energy](#) secured \$20 million new funding from [Foundation Capital](#) and other undisclosed investors, according to an SEC regulatory filing. The company produces a battery that is based on ambient-temperature sodium-ion technology that the company says makes the battery exceptionally long-lived and environmentally benign.

In the wind energy space, [Northern Power](#) garnered \$10 million in series C financing. Northern manufactures wind turbines that feature a simplified architecture that utilizes a combination of permanent magnet generators and direct-drive design.

**Chart 1**



## Clean Technology

Clean Technology deal volume reversed its previous upward trend by showing an 18% decrease to \$108 million in total funding among 12 companies, a 29% decrease in the number of companies funded versus the previous quarter.

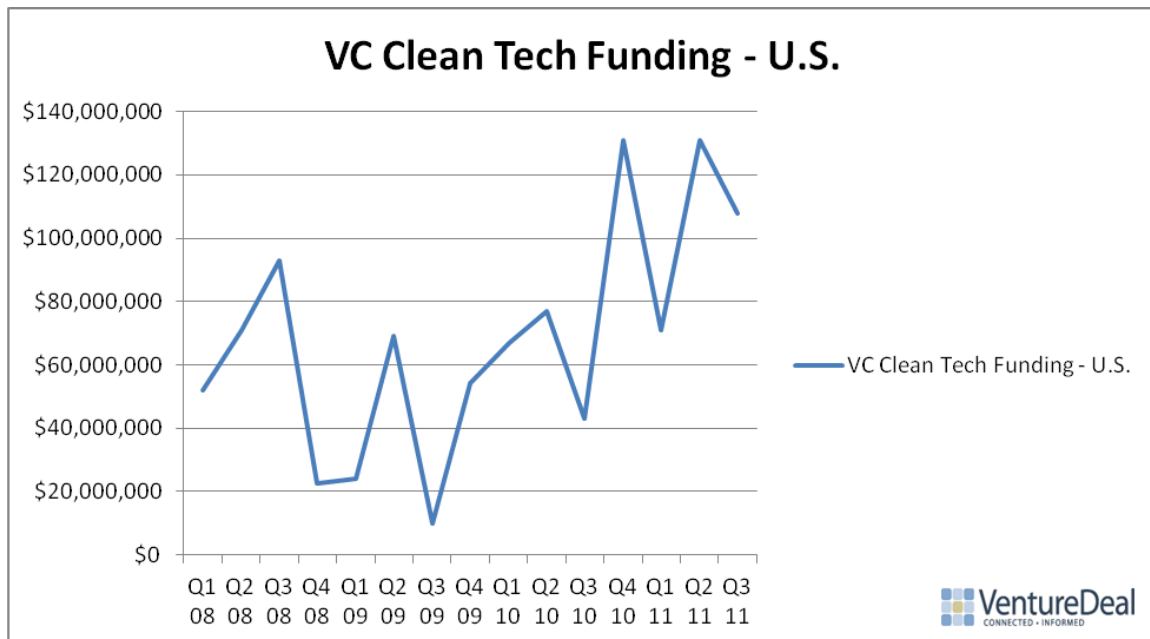
Cambridge, Massachusetts-based [Novogy](#) secured \$1.5 million in venture capital debt, according to an SEC regulatory filing. The company is developing cellulosic fuel technologies focused on waste-paper sludge as a feedstock. Investors in the financing round were not disclosed.

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[Elevance Renewable Sciences](#) landed \$50 million in its fourth round of financing, the largest in the sector during the quarter. Elevance creates specialty chemicals from natural oils through a process called olefin metathesis. The company is backed by a number of private equity firms, including [TPG Biotech](#) and has raised in excess of \$190 million.

San Diego, California-based [Wildcat Discovery Technologies](#) garnered \$6.85 million in new equity and debt financing, per an SEC regulatory filing on 7/26/2011. The company is "investigating materials for lithium-ion battery electrodes, printable electronic inks, hydrogen storage and carbon capture." As of the filing, the company was still seeking an additional \$685,000 in financing.

**Chart 2**



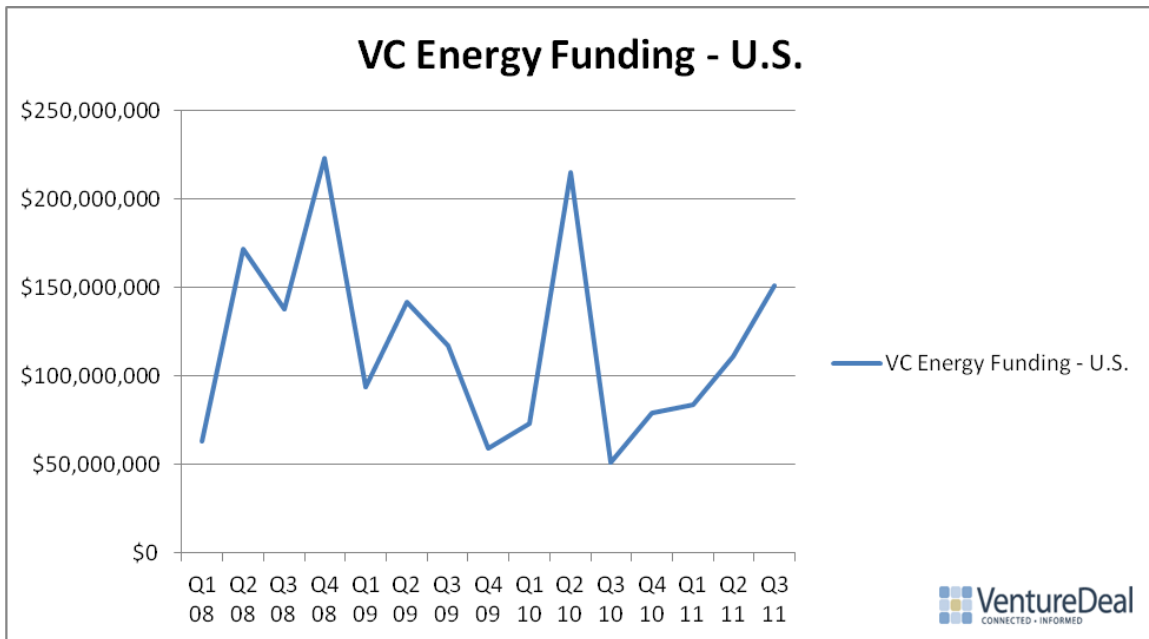
## Energy

Venture-backed Energy company fundings increased by 36% to \$151 million compared to \$111 million in the previous quarter. The number of companies funded dropped by half to 6 when compared to the previous quarter.

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San Francisco, California-based [Powergetics](#) landed \$10.27 million in new financing, according to an SEC regulatory filing. The company provides energy storage and data solutions for small-and medium-sized companies that allow them to store energy when they are not using it. At the time of the filing, the company was still seeking \$4 million in additional financing.

**Chart 3**



## Environmental

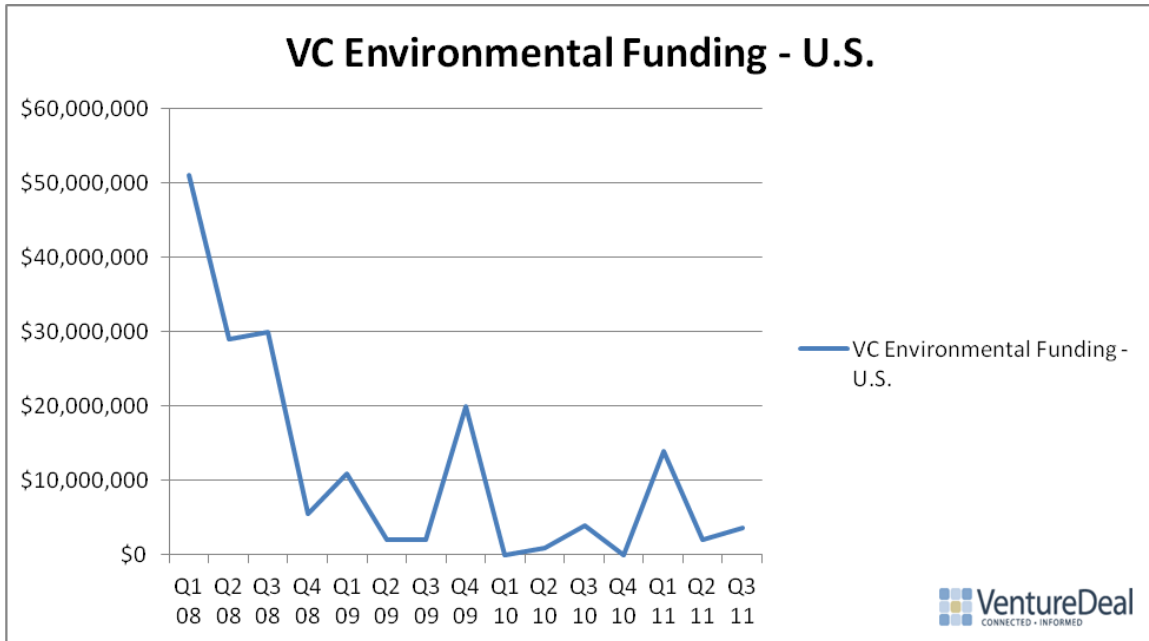
The Environmental sector had two transactions for the quarter, twice as much as during the previous quarter, thus continuing its relatively low activity level.

[Oberon FMR](#) raised \$3.4 million during the quarter for its technology that it says is capable of producing a cost-effective, sustainably

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produced protein meal. The round included an investment by [High Country Venture](#), of Boulder Colorado.

**Chart 4**



**Table 1 On Next Page**

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Table 1

## Venture Funding Activity – 3<sup>rd</sup> Quarter 2011

<b>Industry</b>	<b>Total Disclosed Funding</b>	<b>% Change Vs. Prior Quarter</b>	<b>Number of Companies Funded</b>	<b>% Change vs. Prior Quarter</b>
Alternative Energy	\$619 Million	+ 60%	39	+ 18%
Clean Technology	\$108 million	- 18%	12	- 29%
Energy	\$151 million	+ 36%	6	- 50%
Environmental	\$3.6 million	+ 80 %	2	+ 100%
<b>Total</b>	<b>\$882 million</b>	<b>+ 40%</b>	<b>59</b>	<b>- 6%</b>

### Notes

This report was prepared by the staff of VentureDeal, LLC.

The information source used was the [VentureDeal.com](http://VentureDeal.com) database. VentureDeal is a venture capital database that provides the latest information about venture-backed technology companies, venture capital funds and venture capital financing in the United States.

The database obtains transaction and company information from a wide variety of reputable public and private sources. While this report is free of charge, users may view the individual transactions supporting the totals herein by subscribing to VentureDeal.

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