

# Venture Capital Funding Quarterly

## **Alternative Energy · Clean Technology Energy · Environmental**

4<sup>th</sup> Quarter, 2009 – United States

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## Summary

During the fourth quarter of 2009, a total of 33 companies received \$232 million in new venture capital financing, representing a 6% decrease in the number of companies being funded and a 45% decrease in the total amount funded to the four sectors of Alternative Energy, Clean Tech, Energy and Environmental.

Clean Technology and Environmental companies showed the only deal funding volume percentage increase of the four categories, though in recent quarters the swings in funding have been large and allocated among relatively few companies. Alternative Energy and Energy funding amounts were down, with a 66% and 50% funding decrease respectively.

## Funding Activity

### Alternative Energy

Alternative Energy companies, which usually 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. 13 companies received \$99 million in venture capital financing, which represented a 35% decrease in the number of companies being funded and a 66% funding decrease versus the third quarter of 2009.

Two solar companies funded during the quarter accounted for 60% of the entire sector funding. [Amonix](#) raised \$40 million in an unpublished funding round from top-tier VC [Kleiner Perkins Caufield & Byers](#) along with [MissionPoint Capital](#) and others. Amonix was subsequently acquired by [SunWorks Solar](#) for an undisclosed amount.

San Mateo, CA-based [Tioga Energy](#) landed \$20 million in its series B venture capital financing from a syndicate of VC and strategic investors. The company helps large enterprises adopt renewable energy via leveraging its existing industry partnerships and financial

backing. Tioga said it would use the funding proceeds to "rapidly grow our business and accelerate the development of our growing project pipeline."

## Clean Technology

Clean Technology deal volume reversed its previous downward trend by showing a 440% increase to \$54 million in total funding among eleven companies versus only three companies in the previous quarter.

Minnesota based [Segetis](#) secured \$17.24 million in its second round of institutional investment. The company is developing a variety of chemical products from renewable agricultural and forest tree feedstocks. Although no investors were disclosed in the current round, the company includes [Khosla Ventures](#) as a past investor.

In the water treatment space, [MAR Systems](#) pulled down \$1.5 million in a series B round from [Early Stage Partners](#) and other undisclosed investors. The company sells proprietary processes for removing metal contaminants from water and industrial fluid waste streams by using recycled alumina catalysts.

[Simbol Mining](#) garnered \$1.375 million from venture capital and private equity investors. The company aims to become the leading provider of lithium carbonate by way of zero waste production processes from brines and effluent streams.

## Energy

Venture-backed Energy company fundings decreased by 50% compared to the previous quarter. The number of companies funded also decreased 27%, from 11 in the previous quarter to 8 in the current quarter.

Clean coal power plant operator [GreatPoint Energy](#) landed an additional \$12 million in funding to add to its previous financing of \$115 million. The company employs technology by which coal, biomass and petroleum coke are converted directly into natural gas while capturing carbon dioxide.

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In the battery technology space, Atieva (no website) collected \$7.1 million in unpublished round from venture capital firm Venrock. Atieva has developed proprietary software that monitors individual battery cells and controls for battery packs in electric vehicles.

## Environmental

The Environmental sector tallied one transaction for \$20 million during the quarter, versus \$2 million in the previous quarter. The company that received the funding, [Liquid Environmental Solutions](#), says that "we are here to keep: your facilities serviced clean, your daily operations uninterrupted, your business 100% legally compliant, and your waste management expenses down." [Craton Equity Partners](#) made the investment. The company said the funding proceeds would be used to expand its operations and geographic coverage.

Table 1

### Venture Funding Activity – 4<sup>th</sup> Quarter 2009

Industry	Total Amount Funded	% Change Vs. Prior Quarter	Number of Companies Funded	% Change vs. Prior Quarter
Alternative Energy	\$99 Million	- 66 %	13	- 35 %
Clean Technology	\$54 million	+ 440 %	11	+ 367 %
Energy	\$59 million	- 50 %	8	- 27 %
Environmental	\$20 million	--	1	--
<b>Total</b>	<b>\$232 million</b>	<b>- 45 %</b>	<b>33</b>	<b>- 6 %</b>

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## 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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