



# Venture Capital Funding Quarterly

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

4<sup>th</sup> Quarter, 2010 – United States

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## Summary

During the fourth quarter of 2010, a total of 48 companies received \$589 million in disclosed venture capital funding, representing a 30% increase in the number of companies being funded and a 42% increase in the total amount funded in the four sectors of Alternative Energy, Clean Tech, Energy and Environmental.

All sectors except Environmental showed deal funding volume percentage increases, reversing the previous quarter decrease. All sectors except Environmental showed an increase in the number of companies funded. The Environmental sector had no activity during the quarter.

## Funding Activity

### Alternative Energy

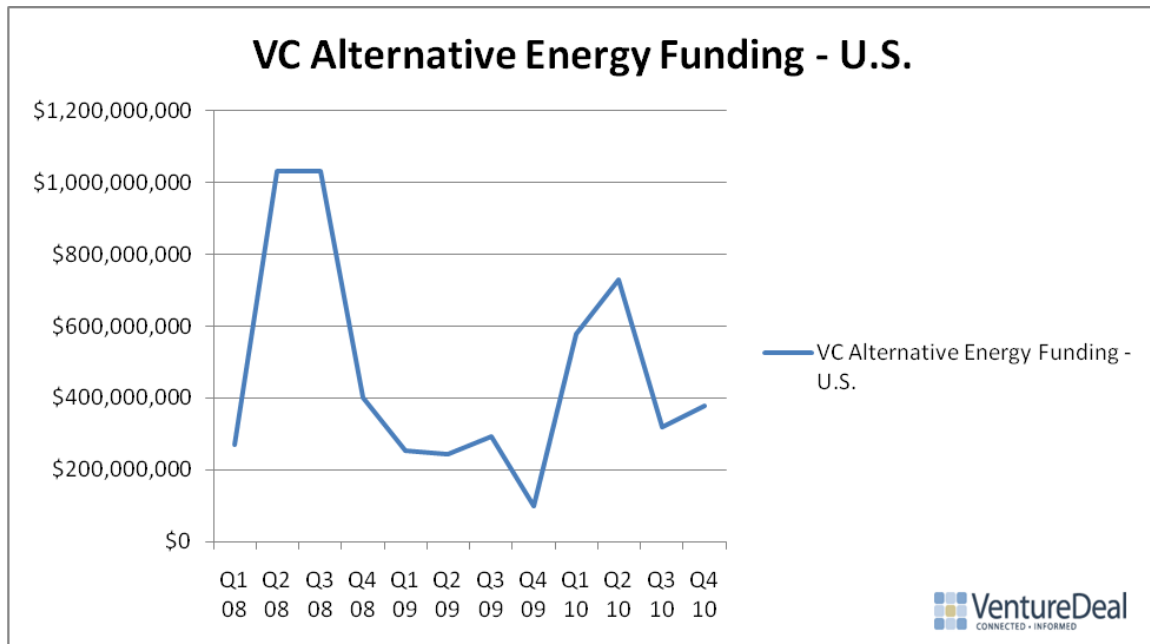
Alternative Energy companies, which include solar, biofuels, wind power, hydrogen and other non-fossil fuel energy developers, continued to receive the largest share of funding of the four industry sectors. 26 companies received \$379 million in venture capital financing, which represented a 24% increase in the number of companies being funded and a 19% increase in funding amounts versus the third quarter of 2010.

In the solar space, [Abound Solar](#) raised \$110 million from a syndicate of venture capital and private equity firms. The company said it would use the financing proceeds, which came in the form of both equity and debt, to expand its solar panel manufacturing capacity.

In the biofuels space, [CoolPlanetBiofuels](#) secured \$8 million from investors including [GE Energy Financial Services](#). The company indicated that its relationship with GE could provide it with additional technical and market resources.

In the wind energy space, [Lincoln Renewable Energy](#) garnered \$8 million in an unpublished financing. Lincoln is in the business of developing both wind and solar projects from inception to commercial operation. [Austin Ventures](#) was among the investors and was represented by partner Ken DeAngelis.

**Chart 1**



## Clean Technology

Clean Technology deal volume reversed its previous downward trend by showing a 205% increase to \$131 million in total funding among 10 companies, a 25% increase in the number of companies funded versus the previous quarter.

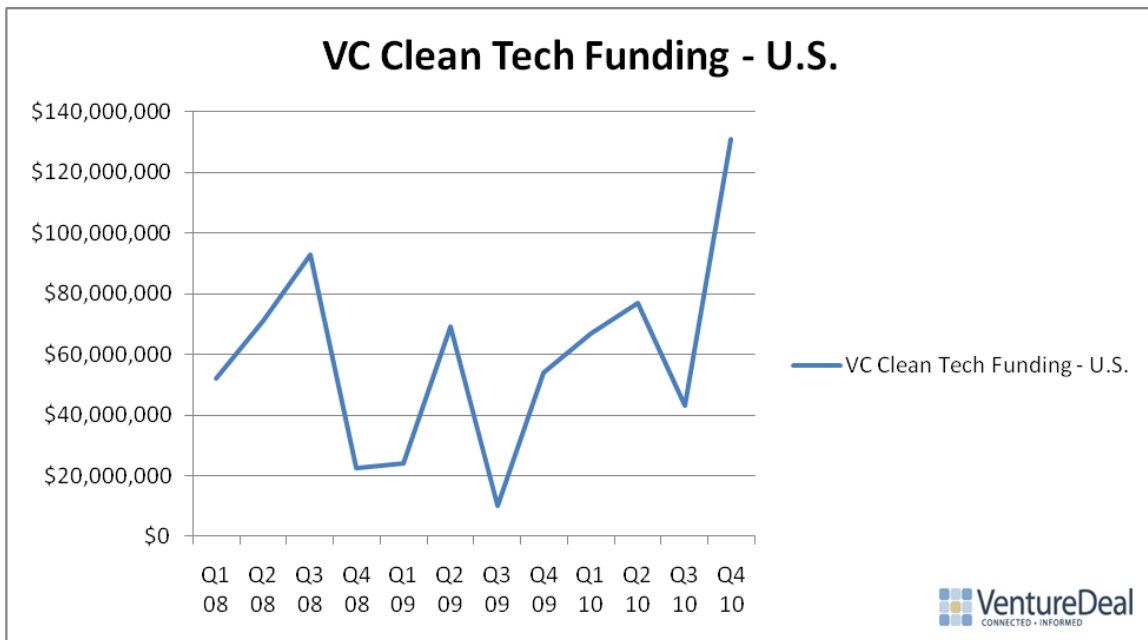
Illinois-based [Elevance Renewable Sciences](#) raised the lions share of sector financing, with a \$100 million series C round of venture capital investment. It said it would use the proceeds to support its growth and international expansion initiatives.

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Feedstock technology company [GlycosBio](#) garnered \$6.75 million in an unpublished round. The company says that it is "transforming the fuels and chemicals industries with biological systems that can flexibly manufacture high-value products from a wide range of feedstocks." The funding came from [DFJ Mercury](#) and [Draper Fisher Jurvetson](#).

In the water purification space, Fremont, California-based [Purfresh](#) landed an additional \$3 million in venture capital debt, according to an SEC regulatory filing. Purfresh has developed a family of chemical-free ozone-based products that kill deadly foodborne pathogens such as salmonella and E.coli.

**Chart 2**



## Energy

Venture-backed Energy company fundings increased by a whopping 55% compared to the previous quarter, the second largest percentage increase among all four sectors. The number of companies funded increased by 71%, from 7 in the previous quarter to 12 in the current quarter. The average size of funding rounds dropped from the previous quarter's \$7.4 million to \$6.6 million.

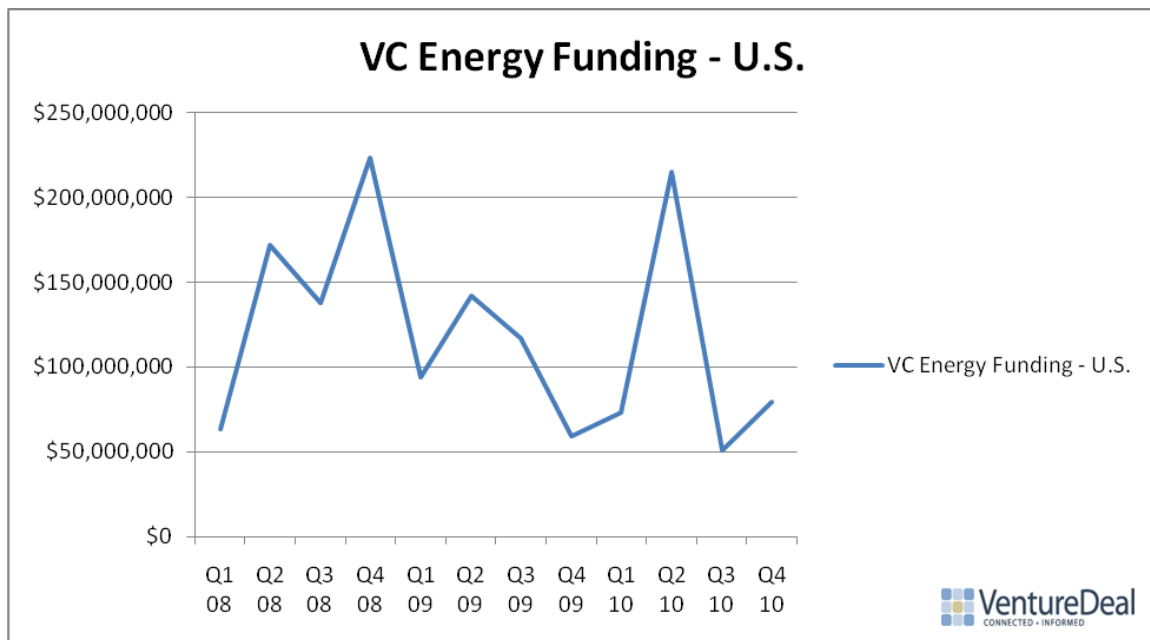
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Two companies accounted for \$49 million of the \$79 million funded in the sector.

[Rive Technology](#) added \$25 million in its third round of institutional venture capital investment. The company said it would use the funds to support commercial refinery trials of its catalyst technology and for global expansion. Rive is backed by a consortium of venture capital and private equity firms.

In the battery space, [Widetronix](#) garnered \$700,000 in early-stage investment From Draper Fisher Jurvetson. The company is developing low-power, long life "betavoltaic" batteries for microelectronics. The battery technology promises to have an extremely long lived lifespan, up to 25 years.

**Chart 3**

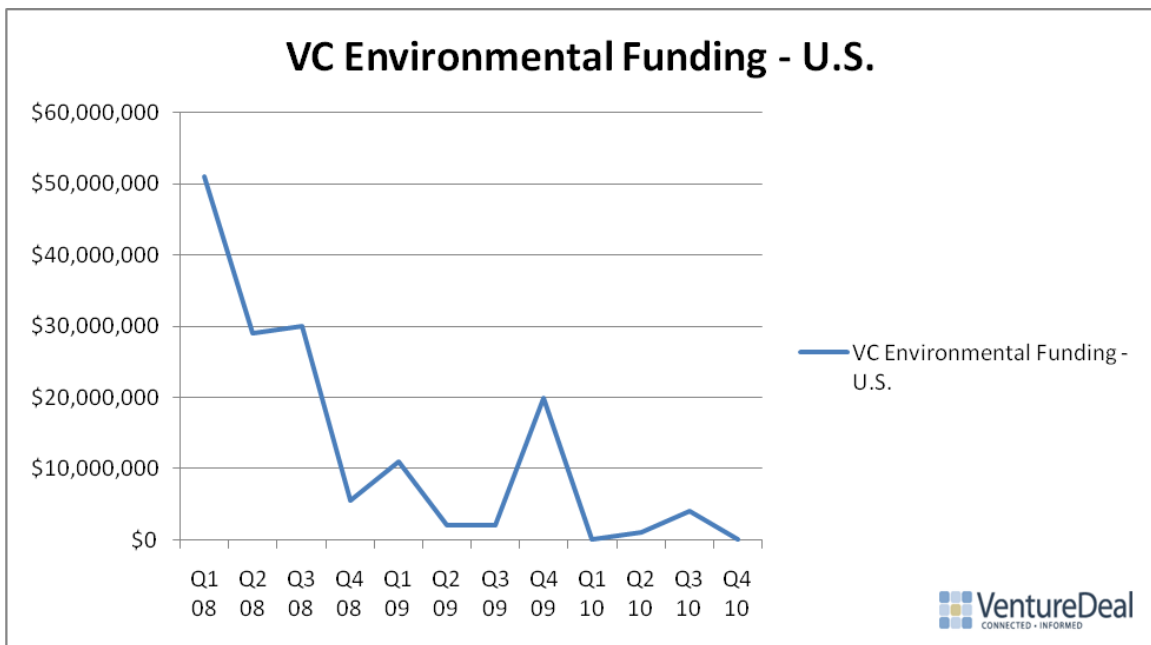


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Environmental

The Environmental sector had zero transactions for the quarter, versus only one transaction during the previous quarter. This continues the recent low-level of activity in the sector.

**Chart 4**



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Table 1

## Venture Funding Activity – 4<sup>th</sup> Quarter 2010

<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	\$379 Million	+ 19%	26	+ 24%
Clean Technology	\$131 million	+ 205%	10	+ 25%
Energy	\$79 million	+ 55%	12	+ 71%
Environmental	\$0	- 100%	0	- 100%
<b>Total</b>	<b>\$589 million</b>	<b>+ 42%</b>	<b>48</b>	<b>+ 30%</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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