



Venture Capital Funding Quarterly

Alternative Energy • Clean Technology Energy • Environmental

2nd Quarter, 2011 – United States

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Summary

During the second quarter of 2011, a total of 63 companies received \$630 million in disclosed venture capital funding, representing a 19% increase in the number of companies being funded and a 19% decrease in the total amount funded in the four sectors of Alternative Energy, Clean Tech, Energy and Environmental.

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

Funding Activity

Alternative Energy

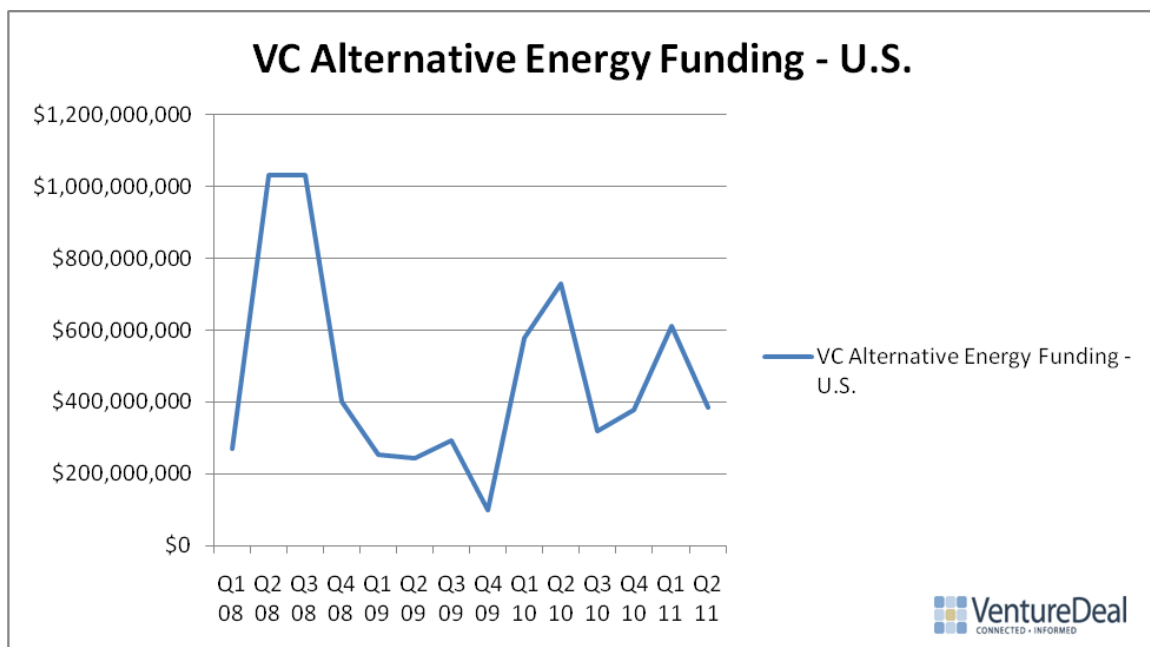
Alternative Energy companies, which include solar, biofuels, wind power, hydrogen and other non-fossil fuel energy developers, continued to receive the largest share of funding of the four industry sectors. 33 companies received \$386 million in venture capital financing, which represented a 3% decrease in the number of companies being funded and the 37% decrease in funding amounts versus the first quarter of 2011.

In the solar space, [SoloPower](#) raised \$15 million, according to an SEC regulatory filing. The company develops thin-film photovoltaic technologies for grid connected commercial, residential and distributed power applications. SoloPower was still seeking an additional \$28.7 million at the time of the regulatory filing.

In the biofuels space, [Solix BioSystems](#) secured \$16 million in its series B round from undisclosed venture capital investors. The company has developed its "Lumian" algae production system that it says is competitive with equivalent products from fossil fuels or land crops. Solix is backed by strategic investor [Valero Energy](#) among others.

In the wind energy space, [Southwest Windpower](#) garnered \$12.3 million according to an SEC regulatory filing. Southwest is a producer of small wind generators that produce power in the range of 400 - 3000 W. The company says it has produced over 90,000 generators for a variety of residential and commercial markets. The company was still seeking an additional \$7.2 million according to the filing.

Chart 1



Clean Technology

Clean Technology deal volume reversed its previous downward trend by showing an 85% increase to \$131 million in total funding among 17 companies, a 183% increase in the number of companies funded versus the previous quarter.

Plymouth, Minnesota-based [BioAmber](#) secured the largest financing round of the quarter with its \$45 million series B. funding.

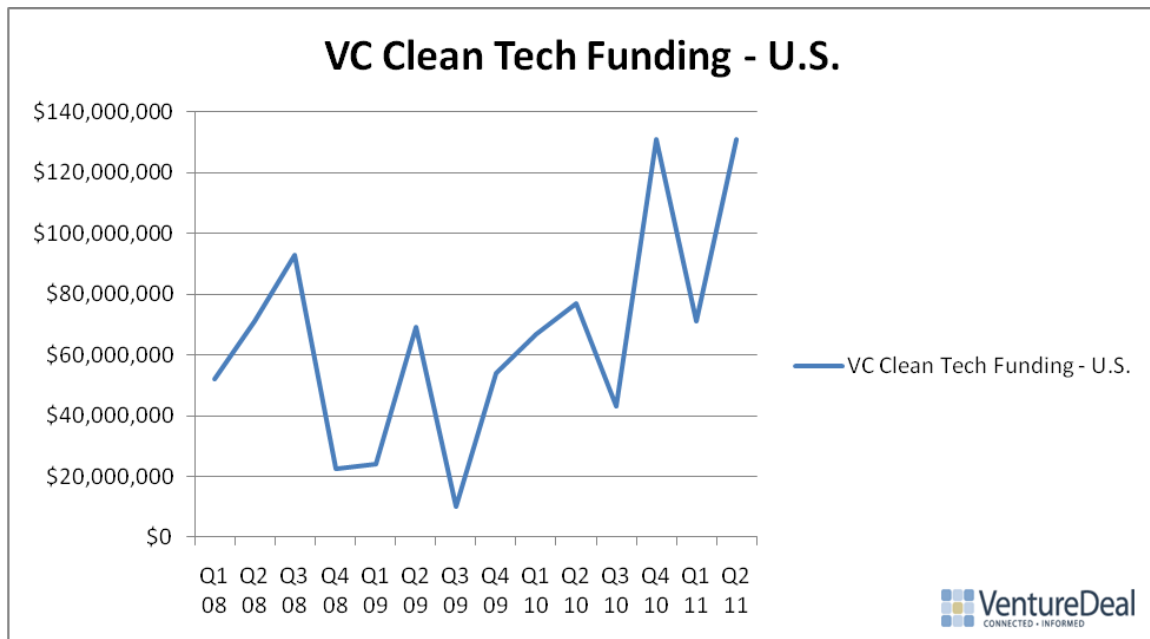
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The round included strategic, private equity and venture capital firm investors. BioAmber said that the financing would help accelerate commercialization of its biosuccinic acid products, including the construction of a large-scale plant in North America.

Biopesticide company [Marrone Bio Innovations](#) garnered \$25.4 million in its third round of institutional venture capital investment. The company is backed by a large syndicate of venture capital and strategic investors and said proceeds purposes would be used for expanding global sales of existing products, launching new products and continued product development.

Eco-friendly packaging developer [Ecovative](#) raised \$6.5 million in corporate VC from [3M Corporation](#) and undisclosed investors for its biodegradable and home compostable packaging made from seed husks and mushroom roots. The company says that its products perform like synthetic foams but take far less energy to produce and are more environmentally friendly.

Chart 2



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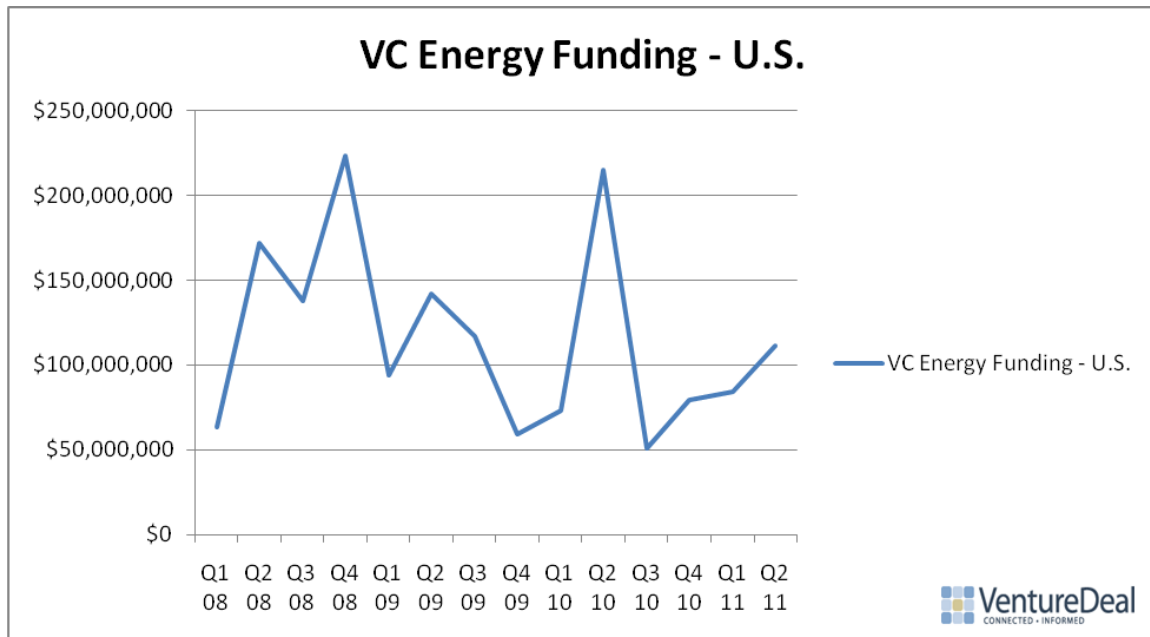
Energy

Venture-backed Energy company fundings increased by 3% compared to the previous quarter. The number of companies funded was unchanged at 12 when compared to the previous quarter. The average size of funding rounds rose from the previous quarter's \$7 million to \$9.3 million.

Belmont, Massachusetts-based wireless energy transmission company [WiTricity](#) received an undisclosed amount of funding from corporate investor [Toyota](#). Proceeds purposes were not disclosed, however the company announced a technology partnership with Toyota concurrently with the funding announcement

Ultracapacitor company [Ioxus](#) raised \$21 million in its second institutional round from a variety of corporate, private equity and venture capital investors. The company makes devices that are optimized for the higher voltage levels commonly found in hybrid vehicles in order to improve their efficiency.

Chart 3



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Environmental

The Environmental sector had only one transaction for the quarter, versus none during the previous quarter, thus continuing its relatively low to nonexistent activity level.

Chart 4

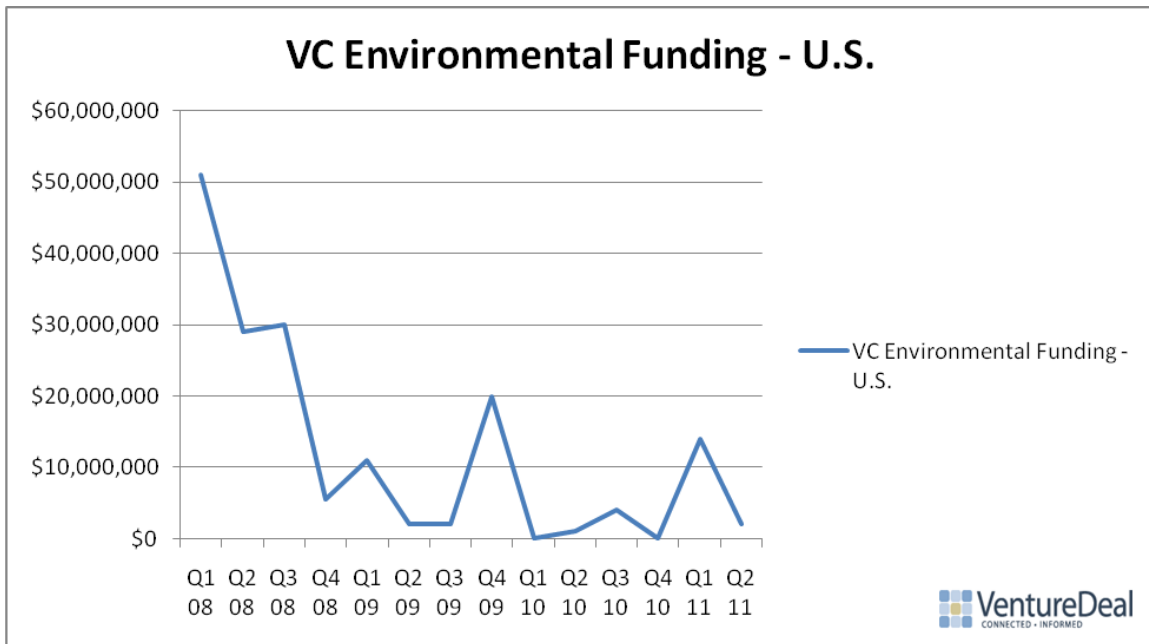


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Table 1

Venture Funding Activity – 2nd Quarter 2011

Industry	Total Disclosed Funding	% Change Vs. Prior Quarter	Number of Companies Funded	% Change vs. Prior Quarter
Alternative Energy	\$386 Million	- 37%	33	- 3%
Clean Technology	\$131 million	+ 85%	17	+ 183%
Energy	\$111 million	+ 3%	12	--
Environmental	\$2 million	- 86%	1	--
Total	\$630 million	- 19%	63	+ 19%

Notes

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

The information source used was the 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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