

BOULDER COUNTY BUSINESS REPORT

Companies innovate to move into 'green' space

By Barbara Hey

June 6, 2008 --

Being "green" is good business in this era of increasing demand for planet-preserving products and services.

But green alone is not enough to ensure success. To thrive, a company must appeal to a broad base of customers, not just the environmentally conscious. And, like any business, its offering needs to possess a host of sterling qualities - efficiency, performance, for instance - to prevail.

"The green piece should be just another point of value," said Dave Ryan, managing director of Green Sparks Ventures, a Denver-based cleantech venture capital firm. "I look for a compelling investment opportunity first, then green."

True, the tide has turned for all things green.

"I see entrepreneurs in two camps - those who've been working in these areas for 20 years, thrilled that now the business climate makes it viable," Ryan said. In the other are newcomers, birthing businesses with the support of such formidable resources as NREL and the Deming Center for Entrepreneurship at the CU Leeds School of Business.

But, sustainability - being able to maintain a business for the long haul - is a pragmatic goal. And green entrepreneurs are particularly adept at identifying strategic opportunities and opening new markets, developing businesses that meet the needs of a rapidly changing world, according to Paul Jerde, executive director of the Deming Center.

"Three years ago if you used the word 'sustainable' you had to fend off skeptics. Now when I say 'green' it's about a better way to do business," he said. "As Ray Lane, managing partner of venture capital firm Kleiner Perkins Caufield & Byers, said at last fall's sustainability summit, 'Sustainability is the perfect storm of business opportunities.'"

Two Boulder companies, for example, took on a green cast after the meltdown of the telecommunications market. Zolo Technologies and Albeo Technologies exited

telecommunications and adapted their technologies for other uses, creating products with plentiful selling points, green just one of many.

Zolo Technologies put its laser-based technology into a sensor for coal-fired power plants to optimize combustion efficiency. This product serves two purposes. It improves fuel-burning efficiency and reduces emissions, helping plants comply with EPA limits for nitrogen oxides and sulphur oxides, polluting byproducts of coal combustion.

Coal still provides the bulk of energy in the U.S., but plants primarily are concerned with cost savings. "Coal-fired plants are more motivated by reliability than just being green," said Ronald Zimmerman, marketing manager. But, with Zolo technology, power plants reap both benefits anyway. Plants are prepared to comply with EPA regulations to come, such as on carbon dioxide emissions, which could be mandated in the future.

Albeo Technologies still uses its core technology - semiconductors - but shifted to LED lighting systems for commercial and industrial users. The benefits of LED light are plenty - they are more energy efficient and last longer than incandescent or even fluorescent bulbs, and do not contain mercury or other hazardous materials found in traditional lamps, according to Tracy Earles, vice president of marketing and sales.

Albeo uses a "platinum triangle" concept, adjusting the characteristics of LEDs - brightness, energy efficiency, cost effectiveness - to create a system meeting each client's specific needs. Convention centers, for instance, need low-maintenance lighting because if bulbs burn out in a ceiling fixture, replacement is costly, labor-intensive and unwieldy to undertake during a show.

A manufacturing facility might value brightness foremost, and another client might be drawn to the greenness of LED to differentiate itself as an eco-friendly business.

Other companies find an opportunity, then get creative. Oberon FMR of Idaho Springs offers a product - fish meal replacement for farmed fish - made from waste generated by food or beverage companies. This solves a pricey problem for manufacturers - disposal of bacterial waste leftover from wastewater treatment - and provides multiple environmental perks.

"The aquaculture market is growing in double digits, but feed supply can't keep up," according to Chief Executive Randy Swenson. Traditionally, fish meal is made from smaller fish, but bait fish supplies are dwindling and yields a less-than-pure product.

Oberon's technology takes bacteria-laden waste, turns it into a food product with about 65 percent protein, making it a prime ingredient for fish food. Plus, it's free of pesticides and chemicals - an add-on benefit. If the farmed fish industry adopts an organic labeling system, which according to Swenson is under discussion, Oberon FMR will have even brighter potential.

Since its debut more than three years ago, Namaste Solar Electric in Boulder has had a singular purpose - to provide solar-electric systems for residential and commercial customers.

"We decided to be a one-trick pony," said Blake Jones, the company's president. While the employee-owned company considered adding solar thermal or energy audits, it opted to stick with what it does best. "We believe solar electric is best for the world, the country, the state and the company," he said.

There are risks with a sole focus, particularly in an industry that boomed thanks to mandated financial incentives. "If something happened to those incentives it could impact our business," Jones said.

As for prevention, Namaste takes an advocacy role. "We have one employee dedicated full time and about five others part-time to policy issues and legislation, working with the Colorado Public Utilities Commission and the Governor's Energy Office."

Employees also do outreach in schools, community fairs and businesses (including builders, bankers, real estate agents, accountants) to educate about the benefits of solar-electric systems.

For Namaste and other green businesses satisfaction comes from offering a viable solution that both sustains the company's coffers and counters the ills of climate change.

"It's wonderful to be able to do what you love, what you feel passionate about," Jones said.