

## Investment banks plug into alternative energy

BY MARK CALVEY

San Francisco Business Times

Investment bankers are seeing lots of green in green businesses.

San Francisco's investment banks are hiring analysts and bankers to meet the demand from Wall Street investors eager to invest in a broad range of green businesses. Such companies' business plans range from generating solar and wind power to providing drinking water and boosting energy efficiency.

Merriman Curhan Ford & Co. was among the first San Francisco investment banks to tap into the green revolution. About four years ago the firm began researching what it calls next-generation energy companies.

"We started looking at how some technology companies were applying their technology to the energy business — and that was when oil was trading at \$40 a barrel," said Greg Curhan, president of MCF who also oversees the firm's green practice. He also heads a team of five bankers focused on next-generation energy.

On the research side, analyst Brion Tanous shifted his focus from data storage to fuel cells and next-generation energy about three years ago.

With oil recently trading at almost \$80 a barrel, investor interest in alternative fuels isn't expected to wane anytime soon.

Curhan says his decision to install solar panels on his Marin County home a few years ago gave him firsthand experience in the favorable economics of solar power.

MCF held its first conference on next-generation energy companies in May 2005 in New York.

The firm's rivals also have tapped into green power.

ThinkEquity Partners plans to host its second green tech conference in San Fran-



**Brian Dunn and Bill Tarr: Investors in green business expect "above-average returns."**

cisco in December. ThinkEquity last fall saw firsthand the growing investor enthusiasm for green sectors when it had to remove tables from a Ritz-Carlton Hotel conference room to squeeze in all the people who wanted to hear a venture capitalist from Kleiner Perkins Caufield & Byers discuss the sector.

ThinkEquity's green tech conference last year was also a standing-room-only gathering as panelists talked about opportunities in solar power and other green sectors. The level of investor fervor had not been seen since the Internet was all the rage.

"Green is a very important area for us — both from an alternative energy and lifestyle perspective," said Michael Moe, chairman and CEO of ThinkEquity, which has four people in research and six in banking focused on the green space.

Another investment bank, Pacific Growth Equities, is expanding its conference to two days this year to accommodate investor

demand for information on green companies. The firm is doubling the number of presenting companies to about 116 for its second-annual alternative energy and industrial growth conference to be held Nov. 7-8 in San Francisco. Attendance is expected to be up "dramatically" from last year's 600 participants, the firm said.

Green is also attracting the attention of wealthy investors and their family offices.

Acquillian Investments, a San Francisco investment advisory firm, works to connect these investors with a broad range of alternative investments that include clean tech venture firms and companies raising money for green enterprises.

"Investors are looking to these alternative investments to generate above-average returns," said Brian Dunn, founding partner at Acquillian.

mcalvey@bizjournals.com / (415) 288-4950.