

## Dow Kokam Unveils Global R&D Center

*For the Development of Next-Generation Lithium-Ion Batteries*

Dow Kokam is a SAIL II portfolio company.

Dow Kokam unveiled its global research and development (R&D) center located in Lee's Summit, MO. The center intends to bring next-generation lithium-ion battery solutions to the market faster, increase battery performance and reduce their overall costs. The center's new features include:

**(1) Wet Chemistry Lab:** The Lab accelerates next-generation lithium-ion battery technology. In doing so, it reduces raw material costs, because it rapidly identifies the most cost-effective materials.

**(2) Process R&D Lab:** The Lab produces high-quality,

commercialized prototype battery electrodes.

**(3) Dry-Room Pilot Cell Assembly:** The Dry-Room assembles cells from electrode to final cell in 2 and 8 Ah sizes, thereby providing data enabling, large-format battery scale up and new cell designs.

**(4) Cell Testing and Quality Assurance Labs:** The Labs enable the critical final steps in successful product development and feature a large capacity for testing and analyzing R&D prototypes, samples and actual finished products.

In addition, the Battery Park can also produce 33 MWh of battery cells annually, and has commercial-scale pack production and battery system prototyping.



Currently, Dow Kokam works on a US Department of Energy grant to develop large format lithium-ion cells with energy and power density greater than 500 Wh per liter and 500 W per liter—significant advancements for commercial lithium-ion battery capabilities. Dow Kokam also partnered with Oak Ridge National Laboratories (ORNL) to collaborate on projects with highly specialized leadership from ORNL.

These projects, in addition to the R&D center, ensures that Dow Kokam continues to deliver premium batteries.

[www.dowkokam.com](http://www.dowkokam.com)

## Xtreme Power Recognized as a Cleantech Industry Leader

Xtreme Power is a SAIL I and SAIL II portfolio company.

Xtreme Power, developer and manufacturer of Dynamic Power Resource™ (DPR™) utility-scale energy storage and digital power management systems, is pleased to be recognized as a market leader throughout the cleantech industry. In 2011, alone, Xtreme Power claims three prestigious clean

energy and cleantech titles:

**(1) Platts Energy Award finalist for Commercial Technology of the year.** Xtreme is one of only 12 finalists for an award focused on the research, development and commercialization of new energy technologies.

**(2) GoingGreen Global Top 200 Private Company.** GoingGreen Top 200 notes emerging companies successfully transforming big

industry and creating viable business models for green technology.

**(3) Global Cleantech 100 Company.** The Cleantech Group's Cleantech 100 list highlights promising private clean technology companies, like Xtreme Power, that are most likely to influence the market within the next decade.

[www.xtremepower.com](http://www.xtremepower.com)

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### News Briefs:

- Xtreme Power and WaterHealth International Make the Global Cleantech 100 List  
(October 2011)
- ActiveIon Licenses their Technology to the Tennant Company, One of the World's Largest Cleaning Companies  
(October 2011)

## CNS Response's PEER Online™ Reduces Patient Suffering, Improves Outcomes, Reduces Hospitalization and Curbs Health Care Costs

CNS Response is a SAIL I portfolio company.

CNS Response, Inc. announced that in a recent study entitled, "Retrospective Chart Review of a Referenced EEG Database in Assisting Medication Selection for Treatment of Depression in Patients with Eating Disorders," physicians using PEER Outcome™ data reported reduced trial-and-error medication selection for eating disorder patients with comorbid major depression or bipolar disorder. The physicians, who reviewed the PEER Outcome™ data, found that such patients experienced significantly decreased depressive

symptoms and overall 53 percent fewer hospitalization days, which significantly reduced overall healthcare costs.

According to the study, the variety of medications successfully used to treat study patients suggests there is no single class of medications for treating eating disorders. James M. Greenblatt, M.D., the lead author of the study, elaborates, "The results suggest that physicians who develop patient-specific treatment regimes using PEER Outcomes and other data reduce their use of costly trial and error prescribing. These physicians

reduce patient suffering, improve outcomes, reduce hospitalization and can significantly curb health care costs."

CNS Response's PEER Online™ enables physicians to compare and learn which medication treatments have been effective, and which have been ineffective when used by their peers in treating patients with similar EEGs. The collection of shared physician experience builds on the company's original physician-developed database, Referenced-EEG® (rEEG®).

[www.cnsresponse.com](http://www.cnsresponse.com)



## Impact Investing: Healthy World *and* Healthy Returns?

Impact investing is a relatively nascent, yet growing investment strategy. One can define impact investing as investments intended to create positive impact beyond financial return.

**Investments:** include private debt and private equity transactions as well as some publically traded investment opportunities.

**Intended:** the opportunities (i.e. fund, manager, or company) into which the investment is made is designed with the intent to make a positive impact on society. This differentiates impact investments that have unintentional positive social or environmental consequences.

**Create Positive Impact:** the

opportunities generate positive social and/or environmental impact. The opportunity's business strategy should not only *state* the intended positive impact but it should also define *how* the positive impact will be measured (i.e. number of new jobs created, number of carbon credits, etc.)

**Financial Return:** the investment should expect, at least, a nominal return. However, many impact investments aim for market-rate or market beating returns. Thus, donations are excluded.

In essence, impact investing provides a new, alternative investment strategy for channeling large-scale private capital for social benefit and in doing so, steers money to market

based solutions to the world's most pressing challenges, such as sustainable agriculture, affordable healthcare, clean technology and energy efficiency solutions.

According to JPMorgan, by 2020, between \$400 billion and \$1 trillion could be invested this way, generating cumulative profits, over ten years, of between \$183 billion and \$667 billion.

Because impact investing successfully bridges the historical gap between charitable giving "to do good" and traditional investing "to drive returns," this best-of-both-worlds investment strategy is here to stay for a long time.

In sum, impact investments improve the world *and* make money.



## Xtreme Power Showcases Solar Management Capabilities

Xtreme Power is a SAIL I and SAIL II portfolio company.

Xtreme Power, developer and manufacturer of dynamic Power Resource™ (DPR™) utility-scale energy storage and digital power management systems, highlights the benefits of its technology when implemented on solar projects.

Solar, is an inherently intermittent resource, subject to output fluctuation due to factors such as cloud cover. This variability presents a challenge to utilities and independent power producers looking to incorporate more renewable resources into the grid. Xtreme Power's DPR pairs efficient advanced lead acid battery technology with highly responsive power

electronics to absorb and release power as needed, thereby smoothing and controlling output to enable a more manageable renewable power supply.

Dynamic Power Resources are currently in operation on a variety of solar projects in conjunction with leading utilities and renewable energy developers, including:

**(1) Ford Motor Company:** and DTE Energy integrated a 750 kW DPR at a Ford assembly plant. The DPR system ties to a 500 kW solar installation used to power the production of Ford's hybrid and electric vehicles.

**(2) Xcel Energy:** selected a 1.5 MW system from Xtreme

Power for its Solar Technology Acceleration Center. The demonstration project highlights the benefits of energy storage systems with respect to solar PV installation on utility distribution systems.

**(3) Kaua'i Utility Cooperative:** uses a 1.5 MW DPR at its Koloa substation in Hawaii to both mitigate grid stability challenges and integrate a new 3 MW solar PV installation.

**(4) Castle & Cooke:** a Hawaiian real estate developer utilizes a 1.125 MW DPR on Lana'i Island, thereby enabling the micro-grid to absorb the full output of its existing 1.2 MW solar PV project.

[www.xtremepower.com](http://www.xtremepower.com)



## FlexEnergy—One of the Fastest Growing Cleantech Companies in the Nation

FlexEnergy is a SAIL II portfolio company.

FlexEnergy celebrates the opening of their new worldwide headquarters in Irvine, CA with high-level government and business officials. FlexEnergy's rapid growth positions it as one of the fastest growing clean tech companies in Southern California and in the nation, expanding from approximately 20 to over 130 employees in the past year.

FlexEnergy technology transforms one of the world's largest sources of greenhouse gases (low-quality methane) from a source of pollution into near-zero emission electricity. The company is well placed to lead the industry as the cleanest and most reliable power generation technology

for natural gas, waste gases, and associated gases.

"From our first turbine systems to recent technology breakthroughs, FlexEnergy is a company fueled by innovation, teamwork, and a mission to improve our environment, increase energy security and reduce our dependence on fossil fuels," said Joe Perry, CEO of FlexEnergy. "We expect to continue our rapid growth in the coming year," Perry said.

The event comes shortly after the Orange County Board of Supervisors approved the selection of Flex OC Renewables, a FlexEnergy subsidiary, as the primary firm to negotiate an agreement for the installation and operation of a 1 MW system that will generate electricity from

landfill gas at the Santiago Canyon Landfill.

The Santiago Canyon Project is one of the world's most environmentally advanced facilities for generating power while destroying methane and related air pollutants. It has been closed since 1988, and until now has "flared" or burned off methane created as trash decomposes. As proposed, the Santiago Canyon project will use four Flex Powerstation™ FP250 turbines.

"We expect Santiago Canyon to become a showcase facility just 10 miles from our new headquarters. We look forward to helping Orange County create jobs and continue its leadership in cutting-edge industrial technology," said Perry.

[www.flexenergy.com](http://www.flexenergy.com)





**SAIL Capital Partners** ([www.sailcapital.com](http://www.sailcapital.com)) is a leading cleantech investment firm with a global vision of technologies, markets and opportunities. We invest in cleantech companies with proven technologies, visionary leadership, measurable impact and exciting growth potential. We have invested in a number of today's leading cleantech companies including: Xtreme Power, Ice Energy, The Cleantech Group, Dow Kokam, Enerpulse, Activeion, SNTech, FlexEnergy, Paragon Airheater Technologies, M2 Renewables and WaterHealth International. SAIL has offices in California, New York, New Orleans and Washington D.C. and a global network of investors and advisors.



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**Sources:**

- FlexEnergy
- PRNewswire
- Xtreme Power
- Cleantech Group
- Minneapolis Star Tribune
- OTC Showcase
- The Economist
- NY Times
- Financial Post

*This is an informal newsletter about SAIL and its portfolio companies. It is not an official report and may not be relied upon for any investment purpose. SAIL is not responsible for the accuracy of external source information.*

**Speaking of SAIL**

**November 17 – Toronto, Canada**

**Peter Polydor** will participate in the press conference and launch of the *C100 Cleantech*, an esteemed organization of venture firms, Fortune 500 executives and entrepreneurs dedicated to supporting Canadian technology, entrepreneurship, and investments.

**November 10 – Toronto, Canada**

**Walter Schindler** will speak at the *SDTC Cleantech Focus*. His panel will focus on “How to Finance Canada’s Cleantech Future.”

**November 10 – Toronto, Canada**

**Peter Polydor** will speak at the *SDTC Cleantech Focus*. His panel will focus on the

“Canadian Cleantech Path to Market and Success.”

**November 7 – Austin, TX**

**Hank Habicht** will speak at *IMN’s Energy and Global Resources: The Texas Nexus* conference. His panel will speak about growth areas in clean energy and clean technologies.

**October 11 – Fullerton, CA**

**Sarah Pavlik** will speak at *Western State University College of Law*. She will speak to students about applying their Juris Doctorate in non-traditional occupations, like private equity.

**October 9 – Malibu, CA**

**Hank Habicht** will speak at the *Pepperdine University School of Law*. His panel will

discuss and answer questions regarding the “Justice Department: Reagan to Obama.”

**September 29 – New Orleans, LA**

**Walter Schindler** spoke at the *Tulane Business Forum*. He explained, “How cleantech investing can be both profitable and effectual.”

**September 12 – Irvine, CA**

**Walter Schindler** spoke at *CleanTech OC’s 2011 Conference and Expo*. His panel “Cleantech by the Numbers,” spoke about the latest investment trends in cleantech and sustainability.