

C100 CleanTech aims to bring Silicon Valley support to Canada

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By Jameson Berkow Nov 17, 2011

TORONTO — Silicon Valley's most powerful Canadian venture capitalists are turning their attentions to clean tech.

The C100, a group of Canadian executives working in the global technology industry's capital dedicated to supporting Canadian tech startups at home, has raised US\$388-million mostly for information technology (I.T.) companies in Canada since it was founded 18 months ago. At a downtown Toronto event held midday Thursday, the C100 launched a new initiative focused on Canada's budding green technology sector.

"We would like to model ourselves after the success we've had in I.T., but we fully recognize that clean tech is a very different animal," Jonathan Quick, executive office director for VantagePoint Capital Partners, a charter C100 member and University of Western Ontario graduate told officials gathered at Corus Entertainment Inc.'s new waterfront headquarters.

"It is going to require more capital; it is going to require a closer collaboration with the incumbents in the industry; it is going to require working in regulated industries and forming close strategic partnerships," he said.

While the group has no specific dollar amount in mind, the new initiative has billion-dollar ambitions. And with more than US\$10-billion under management at their collective firms, it is a challenging though still obtainable goal.

"We would like to help create those billion-dollar seminal clean tech companies," Mr. Quick said. "Big, important companies that create a disproportionate amount of wealth, jobs and economic growth."

The group is also offering something many young startups would consider more valuable than money: Connections.

"The C100 charter members here today are all venture capitalists, but there are operating companies reflected inside the C100 as well," said Marianne Wu, partner with Mohr Davidow Ventures focused on the energy sector who started her career with the now defunct Canadian telecom giant Nortel Networks Corp.

"We have members in Tesla, in Procter and Gamble, so capital is one element, but the network we offer will certainly be useful as well."

Rather than look at the traditional players in the field such as producers of wind and solar power, the C100 plans to seek out even more emergent ideas.

"Wind and solar have already figured it out, that is done," said Mr. Quick. "But when you look at most clean tech industries — the smart grid, LEDs, water — there is no clear leader yet."

He points to companies such as Halifax, N.S.-based [Ocean Tracking Networks](#) or Kingston, Ont.-based [Pathogen Detection Systems \(PDS\) Inc.](#) as examples of Canadian firms with great technology that would benefit from additional risk capital.

“Technology is not a problem here in Canada,” Mr. Quick said. “Where we do have room for improvement is in the commercialization of that technology.”

Canada’s domestic venture capital industry has also been placing more attention on clean tech recently. SR One, the venture capital arm of pharmaceutical giant GlaxoSmithKline Inc., [launched a \\$50-million fund last week](#) devoted to early-stage Canadian life sciences research.

But investments in Canadian clean tech still lag substantially behind those in the United States. By the start of 2011, about \$680-million has been invested in venture-backed clean tech companies in Canada, Mr. Quick said, versus more than US\$18-billion south of the border.

Toronto-based Emerald Technology Ventures has long understood the need for greater VC attentions for clean tech. In April, the firm hosted an event in downtown Toronto’s MaRS Discovery District called “Building Successful Canadian Clean Tech Companies.”

“There is an underlying assumption in the cleantech segment that it is an emerging segment where there haven’t been any poster children and there is no Facebook of cleantech,” explained Emerald partner Scott MacDonald.

“But I really think its time the venture industry behaved a little bit differently and set our bar a little bit higher.”

One hundred of the most influential Canadians in Silicon Valley agree.