

# Not surprising: Cleantech VC investments drop in Q1

By [Katie Fehrenbacher](#) Apr. 5, 2012, 1:39pm PT [No Comments](#)

Investments by venture capitalists in cleantech startups dropped in the first quarter of 2012 by 31 percent compared to the first quarter of 2011, and 19 percent compared to the fourth quarter of 2011, according to the latest figures from the Cleantech Group. A total of \$1.81 billion in VC capital was invested in 185 cleantech startups in the first quarter of this year.

While dollar amounts dropped, the number of deals made in Q1 2012 was up slightly from the fourth quarter of 2011, and about the same as the first quarter of 2011. And the Cleantech Group noted that early stage deals started to come back up in the first quarter of 2012, after a several quarters of investors staying away from new deals. The average deal size in Q1 also declined along with the pick up in early stage fundings.

## VC Deal Activity Up, \$ Down



Some interesting tidbits in the numbers:

- Chinese conglomerate Wanxiang Group was the lead investor in the largest funding of the quarter for GreatPoint Energy. The Cleantech Group called it: “perhaps the most significant cleantech venture deal done by a Chinese corporation.”
- Solar companies were still able to raise \$249 million in Q1, despite it being one of the most difficult markets for solar companies to date.
- The top 5 most active VCs in Q1 were Draper Fisher Jurvetson, Kleiner Perkins, Braemer Energy Ventures, SAIL Capital Partners, BASF Venture Capital.
- Investments by corporates (GE, Intel, ABB etc) were up significantly in Q1. Corporates seem to like later stage investments and larger size deals.
- There were 77 cleantech acquisitions in Q1.
- “IPO numbers not impressive.”

Here’s my thoughts on where cleantech as a stand alone industry is at: [Cleantech is Dead! Long live cleantech!](#)