

SAIL Venture Partners Ups Water Tech Bet With MicroMedia Filtration Investment

By Justin Moresco, Earth2Tech.com

MICROMEDIA FILTRATION, A DEVELOPER OF ADVANCED WATER TREATMENT SYSTEMS, SAID TODAY THAT IT HAS [CLOSED ITS FIRST ROUND OF FUNDING](#) (NO WORD ON HOW MUCH) FROM SAIL VENTURE PARTNERS. THE LAKE FOREST, CALIF.-BASED COMPANY WAS FOUNDED IN 2003 AND IS [ALREADY SHIPPING ITS TREATMENT SYSTEMS](#) TO MUNICIPALITIES AND COMMERCIAL CLIENTS. WITH ITS TECHNOLOGY IN PLACE, MICROMEDIA PLANS TO USE THE FUNDING TO “SIGNIFICANTLY EXPAND ITS GROWTH OBJECTIVES” BY ADDING TO ITS MANAGEMENT TEAM AND MARKETING PLANS, KEN STEDMAN, FOUNDER AND PRESIDENT OF MICROMEDIA, SAID IN A STATEMENT.

STEDMAN DIDN'T GIVE MORE DETAILS ABOUT WHAT THOSE NEW GROWTH OBJECTIVES MIGHT BE, BUT THE COMPANY IS CLEAR ABOUT THE VALUE PROPOSITION OF ITS WASTEWATER TREATMENT TECHNOLOGY. THE COMPANY SAYS ITS SYSTEM OPERATES ON 80 PERCENT LESS POWER, HAS AS LITTLE AS HALF THE CAPITAL COSTS AND IS PHYSICALLY SMALLER (IMPORTANT FOR SPACE-CONSTRAINED REAL ESTATE DEVELOPERS) THAN COMPETING TECHNOLOGIES. THE FILTRATION SYSTEM IS ALSO MODULAR, WITH INDIVIDUAL SYSTEMS TREATING BETWEEN 250,000 AND 1 MILLION GALLONS PER DAY, OFFERING FLEXIBILITY AND THE ABILITY FOR CLIENTS TO SCALE UP AS DEMAND CHANGES. MICROMEDIA'S TECHNOLOGY IS A COMBINATION OF PHYSICAL AND CHEMICAL PROCESSES THAT ARE MANAGED BY A COMPUTER-CONTROL SYSTEM. WASTEWATER PASSES THROUGH A SCREENING PROCESS TO REMOVE SOLIDS AND IS THEN FILTERED, WHERE A COAGULANT CAPTURES CONTAMINANTS BEFORE THEY ARE REMOVED THROUGH WASHING. THE TREATED WATER CAN THEN BE DISCHARGED INTO NEARBY WATER BODIES, SUCH AS BY A MUNICIPAL WATER TREATMENT CENTER, OR USED FOR IRRIGATION BY A REAL ESTATE DEVELOPMENT, FOR EXAMPLE. THE LATTER COULD BECOME INCREASINGLY POPULAR SINCE THE [U.S. GREEN BUILDING COUNCIL'S LEED RATING SYSTEM](#) ENCOURAGES REUSE OF WATER ON-SITE.

THERE HAS BEEN GROWING RECOGNITION AMONG THE INVESTMENT COMMUNITY THAT THE TREATMENT AND DELIVERY OF CLEAN WATER OFFERS PLENTY OF OPPORTUNITIES, BUT SO FAR VENTURE CAPITALISTS HAVE BEEN HESITANT TO MAKE BETS IN THE SPACE. VENTURE HEAVYWEIGHT KLEINER PERKINS, FOR EXAMPLE, HADN'T MADE A SINGLE WATER INVESTMENT [UNTIL JULY THIS YEAR](#) WHEN IT BACKED APPLIED PROCESS TECHNOLOGY. AND U.S. WATER TECH COMPANIES RAISED ONLY \$62 MILLION, ABOUT 1.2 PERCENT OF ALL CLEANTECH INVESTING, IN 2008, ACCORDING TO DOW JONES VENTURESOURCE FIGURES.

THIS LATEST ANNOUNCEMENT MARKS SAIL VENTURE PARTNER'S SECOND FUNDING OF A WATER TECH COMPANY, THE FIRST BEING IRVINE, CALIF.-BASED [WATERHEALTH INTERNATIONAL](#), WHICH DEVELOPS DECENTRALIZED WATER PURIFICATION SYSTEMS LARGELY TARGETED FOR THE DEVELOPING WORLD. INTERESTINGLY, BOTH MICROMEDIA AND WATERHEALTH ARE FAIRLY MATURE FIRMS, WITH THE LATTER HAVING REORGANIZED IN 2004 (THOUGH ORIGINALLY FOUNDED IN 1995). SAIL APPEARS TO BE PLACING ITS WATER BETS IN COMPANIES WITH PROVEN TECHNOLOGIES.