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HEADLINE: Solar-energy firm seeks sunnier recruiting;
Locally founded Innovalight heads west to attract more techie employees.

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BODY:

Innovalight, a St. Paul-rooted solar-energy outfit with ties to the University of Minnesota, has raised an additional \$7.5 million in venture capital as it develops lower-cost solar cells from silicon nanotechnology.

That should be good news for Minnesota, which is struggling to attract venture money, having won less than 1 percent of the national total in the first quarter at \$48.9 million.

There's just one problem - the 14-person Innovalight has moved to Silicon Valley.

"Quite frankly, we were at the stage where we needed to bring in a lot more device engineering and folks from the semiconductor industry, and Silicon Valley was an easier recruiting ground," said Innovalight CEO Conrad Burke. "The St. Paul experience was positive. And we still have strong ties with the university's engineering and chemistry departments."

Burke is a former venture capitalist who was commuting to St. Paul from his home in California, although he claimed that the Silicon Valley resources were more the motivation for the move than his long-distance commute.

Regardless, Jack Uldrich, the Minneapolis-based nanotechnology expert (www.nanonovus.com), said the Innovalight move is a loss for Minnesota.

Let's hope we can make up the ground and more with next-generation alcohol fuels, coal gasification and Minnesota energy initiatives that hold investment and other promise for cleaner energy alternatives and expanded employment.

Nationally, hundreds of millions of dollars is flowing into venture capital firms investing in clean technologies. Reflecting that interest, **Piper Jaffray** has started a "**fund of funds**" that pools investor money for venture funds that directly invest in renewable projects.

Meanwhile, Twin Cities Angels will hold their first formal meeting Tuesday. The newly formed umbrella group is for affluent entrepreneurial investors interested in local

start-ups looking for their first round of financing in this high-risk, high-return arena.

Angel investors often share information and pool investment capital.

"There is such great need for this type of organization in the Midwest," said Jeff Hinck, president of the Minnesota Venture Capital Association. "This fund can help lead the way in leveraging regional resources to provide capital needed for Minnesota's technology sectors to grow."

For more information, contact Twin Cities Angels Chairman John Alexander, 612-377-5825.

Ethical winners

Premier Banks and a local unit of General Dynamics are among the winners of the 2006 Minnesota Business Ethics Awards.

According to the judges:

- Premier Banks, a 32-year-old family-owned company, cares for all "stakeholders," starting with employees, through mentoring, training and profit-sharing programs; for customers through policies and practices that go beyond the norm, and for communities with philanthropy that exceeds 7 percent of pre-tax profits at a company with growing revenue and profits.

- General Dynamics Advanced Information Systems in Bloomington has a "robust ethics" and government-compliance program that should be a defense-industry standard, and great training for supervisors that focuses on ethical leadership.

The Minnesota awards, established by the Twin Cities Chapter of the Society of Financial Service Professionals and the Center for Ethical Business Cultures at the University of St. Thomas, are designed to honor excellence in ethics and to raise the bar on corporate behavior.

A learning opportunity

The May 19 deadline is approaching for business applicants to sign up for Leadership Minnesota, an in-depth look at Minnesota industries from taconite to timber to health care.

Two-day sessions over several months will also look at the role of state government. More than 150 business leaders have attended over the past seven years.