University of Michigan’s Zell Lurie Institute Explores Emerging Trends in Clean Technology

Ahead of annual Clean Tech Symposium, Professor Peter Adriaens weighs in on biofuel algae, electric vehicles and shifts in investment landscape

Ann Arbor, Mich. – December 1, 2010 – As consumer demand for environmentally-friendly offerings mounts and businesses increasingly understand the advantages of operating in ways that support long-term sustainability, the worldwide clean technology industry is projected to grow to $3.6 trillion by 2020. Supporting innovation and expansion in the industry, the Samuel Zell & Robert H. Lurie Institute for Entrepreneurial Studies at the University of Michigan Ross School of Business today revealed the emerging trends that will shape the clean technology industry in 2011.

Dr. Peter Adriaens, professor of entrepreneurship with a primary appointment in Civil and Environmental Engineering, and joint appointments in the School of Natural Resources and Environment and the Ross School of Business, is a recognized clean tech expert. Based on his extensive research, hands-on work with clean technology start-ups in both the U.S. and China, and role as senior strategic consultant for environmental services firm LimnoTech, Adriaens identified several trends he sees developing in the year ahead:

- Ongoing co-opetition with China, as the U.S. masters the innovation and entrepreneurship necessary for clean tech R&D and early-stage investment and China puts the policy and infrastructure in place to actually deploy it and drive down cost at scale
- New electric vehicle market segmentation based on consumer driving habits prompts diversification in battery deployment
- Material advancements in the wind sector that enable blades to capture lower wind speeds or wind speeds over longer periods of time
- An increase in direct and venture corporate investments and acquisition activity
- A movement toward more capital efficiency by focusing on clean tech software deals, which are more easily scalable and require less capital over less time than resource-intensive infrastructure investments
- The biofuel algae market shifting focus from strictly biofuel applications to the algae bi-products that can be used in higher value, less price-sensitive products like food and cosmetics
- Decreased carbon emission management investments due to cap and trade no longer being considered in energy policy
These trends—and specifically the relationship between Michigan/U.S. and China—will be among the key themes at the second annual Clean Tech Symposium, a cross-campus event hosted by the Institute and several other University programs. The all-day “Michigan-China Clean Tech: Collaboration and Competition in Energy, Smart Grid, Green Cities and Transportation” is being held on Friday, Dec. 10 at the University of Michigan Union. To register, visit the event website here.

“It is an exciting time to be involved in clean technology because there are new advancements happening every day,” said Adriaens. “By exposing our students to the very latest developments in the industry—through coursework and programs like the Symposium—they are armed with the knowledge they need to make impactful contributions when they enter the workforce, whether at a start-up or in an established company entering the clean tech sector.”

About the Samuel Zell & Robert H. Lurie Institute for Entrepreneurial Studies
The Institute and its Center for Venture Capital and Private Equity Finance bring together a potent mix of knowledge, experience and opportunities from the front lines of entrepreneurship and alternative investments. The student learning experience is further enhanced through internships, entrepreneurial clubs and events that serve to provide viable networks and engage the business community. The School’s three student-led investment funds, with over $5M under management, immerse students in the business assessment and investment process. Founding Board Members include Samuel Zell, Chairman of Equity Group Investments and Eugene Applebaum, Founder of Arbor Drugs, Inc. For more information, visit the Institute at www.zli.bus.umich.edu.

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