

Other Technology

Spokane, Wash.

• Fuel Cell Co. ReliOn Pumps Another \$20M in Series B ▲ ✉

By Michelle Tsai

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Fuel cell company ReliOn Inc. has closed \$20 million in an extension of Series B capital to revive a project developing liquid fuels.

All the investors in the first Series B tranche, a \$25 million round that had a close in 2004, provided the new capital. Its backers include Buerk Dale Victor LLC, Wall Street Technology Partners LP, Chrysalix Energy LP, Oak Investment Partners and Enterprise Partners Venture Capital.

The Spokane, Wash.-based company's pre-money valuation remains the same as in the earlier tranche, said Chief Executive Gary Flood, without providing figures. With this round, ReliOn has raised a total of \$57.5 million in venture capital.

The company will pick up where it left off in 2003, when it dropped its plans to derive hydrogen supplies from liquid fuels like alcohol and methanol, also called reforming technology. Flood said ReliOn's attention at the time was on spinning out of Avista Laboratories Inc.; it had no outside funding then and needed to downsize to develop its fuel cell technology.

Now that ReliOn has been shipping commercial products for three years, it will again go after liquid fuels as a way to support its core business.

ReliOn's fuel cells take the place of traditional generators or lead acid batteries and have found a niche serving as back-up power for communications networks of all stripes - emergency municipal networks, telecommunications networks and government networks, for example. The Federal Aviation Administration, Verizon Communications Inc., and the state of Pennsylvania's emergency communications group have all signed on as customers.

Flood said that revenue last year quadrupled versus 2004 and is expected to do the same in 2006. The company looks to break even in late 2007 without needing to raise additional cash.

<http://www.relion-inc.com>