

# Tri-City Herald

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## **New Fund to Bring Technology to Market**

Battelle has formed a venture capital fund to bring promising technologies researched at Pacific Northwest National Laboratory and other labs with Battelle connections to the marketplace.

Battelle Ventures will spend \$150 million over 12 years on projects related to the national lab it operates for the Department of Energy in Richland, three other national labs with Battelle connections and Battelle headquarters.

The lack of venture capital to bring new technology to market has been an obstacle to starting new technology businesses in the Tri-Cities, according to a 2001 study by the Richland lab.

“We have said it for years,” said Mike Schwenk, vice president and director of economic development and communications at the lab. There have been at least four attempts to create local funds. None has succeeded.”

Instead, the solution appears to lie in developing credible relationships with existing sources of money outside the Mid-Columbia, he said.

Battelle, a nonprofit corporation based in Columbus, Ohio, considers moving science and technologies from research to actual use an important part of its mission.

“One way we can do it is to get innovations in the hands of new, small startup enterprises,” Schwenk said.

It’s hired Morton Collins, a nationally recognized venture capitalist, to lead Battelle Ventures. He has founded and served as a managing partner of four venture funds that have had successes in life sciences, communications, software and electronic materials, according to Battelle.

“Battelle and the national laboratories it manages or co-manages are at the leading edge in many areas of science and technology,” said Collins in a prepared statement. That should lead to good opportunities to bring early-stage technologies to the marketplace, he said.

Battelle is expecting the investments it makes through the new fund to produce revenue to support the corporation’s nonprofit missions, Schwenk said.

Battelle is a leading supporter of charitable causes in the Tri-City area and also uses money it makes to reinvest in buildings, equipment and staff for scientific research.

Battelle Ventures staff will visit the Richland lab next month to talk about possible projects. They could include technology already in development at the lab or promising technologies proposed elsewhere, including labs without a Battelle connection, that could be further developed here.

Much of the research done at the national lab in Richland is for the government, including DOE, the Department of Defense and the Department of Homeland Security. In many cases, a commercial enterprise is needed to produce the technology developed for the government.

In other cases, technology developed for the government can be transferred to broader civilian use by a technology company.

Battelle Ventures is expected to provide money for 25 projects, with many of them picked in the venture capital fund’s early years so they can mature by the 12<sup>th</sup> year of the fund.

Battelle develops and commercializes technology and manages laboratories for government and commercial entities.

The corporation and the national labs it manages or co-manages have 16,000 staff members and conduct more the \$2.7 billion in annual research and development.