

# 11<sup>th</sup> Annual GC3 Innovators Roundtable Session Proceedings

Hosted by Seventh Generation in Burlington, VT

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## SESSION II

### *Investing in Green Chemistry Solutions: Challenges & Opportunities*

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**Michele Jalbert**, re:chem

**Joel Tickner**, University of Massachusetts Lowell (*moderator*)

The major types of funding sources for green chemistry are: 1) government (formerly the largest funder of green chemistry, now corporate investment is the largest) 2) corporate investments, 3) angel funding, and 4) venture funding.

- Government funding – is comprised of federal, state, and local sources, it is mostly policy-driven. Defense and healthcare industry sectors receive the largest amounts of funding.
- Corporate funding – electronics and healthcare industry sectors receive the largest funding.
- Angel investors – invest their own money. Funding tends to be mission driven. Twenty-three billion dollars was invested for 67,000 deals in 2012, nearly all seed/early funding; software receives the most funding.
- Venture capital funding – software receives the most funding. Venture funders usually provide larger funding amounts than do angel funders.

## KEY TAKEAWAYS

### **Opportunities for Safer Chemicals and Products:**

- Safer chemicals are emerging in purchasing considerations.
- State agencies with one-year funding limitations can network with angel funds and venture capital funds with similar areas of interest to collaborate on funding opportunities.

### **Key Drivers for Safer Chemicals and Products:**

- Companies are interested in safer chemicals to protect their brands and create a competitive advantage.
- End use function is key: enabling technologies are not as useful as demonstrating where a particular chemical may function in a particular end use.

### **Challenges for Implementation/Lessons Learned:**

- The current low costs of fossil fuels may change the business case and value proposition for funding requests; ensure that the value proposition is not tied to fossil fuel prices.

### **Helpful Actions to Advance Green Chemistry:**

- Communication is critical to understand what the market will be in five or more years and to clearly articulate the message and value proposition that will resonate with the relevant funding organization.

### **Role for the GC3 to Advance Green Chemistry:**

- Use the annual Roundtable to provide a forum to bring together: 1) funders to share the GC3's vision of the safer chemical market now and in the future, and 2) funders and start-up companies in the safer chemicals and materials space to share their collective knowledge and explore funding opportunities.
- Identify end use markets for each safer chemical and materials; the value proposition will be different for each end one.
- Help the world understand "what" is needed in green chemistry and drive national policy in that direction.
- Tie the case for green chemistry funding to US policy priorities.