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Close-up Report Opportunities in Advanced Energy

A storm of BRIGHT IDEAS

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SPECIAL TO **MASS HIGH TECH**

As the confluence of soaring energy costs and increasing environmental sensitivity continues to fire interest in clean and renewable energy sources, support is proliferating in a perhaps unlikely place.

Many law firms — among them Day, Berry & Howard LLP; Nixon Peabody LLP; Ruberto, Israel & Weiner PC; and Mintz, Levin, Cohn, Ferris, Glovsky and Popeo PC — have added clean/renewable energy practice groups to their offerings. In the renewable-energy hotbed of New England, it's the right move at the right time, they say.

With a host of established and emerging clean-energy companies facing issues such as technology transfer, government regulation, permitting and siting, real estate, employment, mergers and acquisitions, and venture capital, local law firms are anticipating the unique demand and preparing to serve a very promising sector.

At the same time, Bay State agencies including the Massachusetts Technology Transfer Center, the Massachusetts Green Fund and the Massachusetts Technology Collaborative have initiated programs to help promote clean energy and the establishment of new businesses in the sector.

LAW FIRMS FIND A GROWING NICHE IN SERVING THE NEEDS OF CLEAN AND RENEWABLE ENERGY COMPANIES



STUART GARFIELD PHOTO

Full of energy despite the snow, the Clean Energy Group practice at Ruberto Israel & Weiner PC includes, from left, Michael J. Duffy, associate; Maureen Mulligan, shareholder; Barry M. Dicker, shareholder and chair of the Clean Energy Group; Amy J. Mastrobattista, shareholder; Steven L. Feldman, shareholder.

Energy: Law firms find growing niche in serving energy companies

And a Conference on Clean Energy sponsored by the MTTC and The Center for Economic and Environmental Partnership drew hundreds to Boston last month.

“One of the reasons you see the proliferation in law firms is that the sector requires a wide range of skill sets,” said Dan Goldman, chief financial officer at New Energy Capital Corp. in Waltham. “It also extends into project finance groups. So it cuts across a lot of disciplines.”

Any time you see business expand, you’ll see more lawyers, says Warren Leon, deputy director of the Tech Collaborative. “But a lot of these dealings are novel and new, and there are more legal demands involved in, say, wind generation than in more traditional businesses,” he added.

Barry Dicker, a shareholder at Ruberto Israel & Weiner and chair of its Clean Energy Group, said that the complexity of the market has created the demand.

“The energy marketplace is a complicated one, in terms of what they’re developing,” said Dicker, who this summer founded the separate venture Decent Energy Inc., a Cambridge-based incubator for early-stage clean- and renewable-energy companies.

Dicker said that Decent Energy, as well as the law firm’s clean-energy group, emerged from his own interest in the clean-energy sector and the recognition of the

need for such entities among lawyers at the firm. He stresses the commitment of his group at Ruberto Israel to growing the industry as a whole and acting not just as service providers but as active participants.

Likewise, that type of personal interest was the impetus for the formation of the energy and clean technology practice group at Mintz Levin. The group was established and is chaired by partner Tom Burton, who practices in Mintz Levin’s business and finance section and who had worked with the Massachusetts Technology Collaborative on its goal of developing the green-technology industry through job creation.

“I started doing some investment in the space, really before it was on anybody’s radar screen,” Burton said. “From that we’ve been able to start a little practice group on our own (at Mintz Levin).”

But to hear Burton tell it, that group won’t stay little for long, as companies grow and look for financing. “From my perspective, long term, this is a staying thing. I think it’s the next area poised for growth,” he said. “There’s certainly a lot of interest in venture capital, and you’re seeing some of them dedicated to this space. People are taking notice of the area in a way they haven’t before.”

That venture capital element is an intriguing one, says Burton, because VCs are

looking for green of the non-environmental kind. And while he’s confident of a clean-energy boom, he’s leery that venture money from inexperienced sources could be costly for those firms and could chill venture investment as a whole.

However, Goldman says, “I think the level of sophistication of the investors might not be even across the entire playing field. But the corollary to that is that there are some big brand-name venture capital firms that have the skill sets and experience to invest wisely, and that will create confidence.”

Further, Dicker and Goldman see plenty of interest from “double bottom line” investors, those that seek a socially beneficial return as well as an economic one.

“It’s not only very attractive with regard to risk-adjusted returns, but it also works within a socially responsible mandate,” Goldman said. “I’m not saying that they would accept lower returns in exchange for social responsibility, but if these firms can find that opportunity they’ll do it.”

Burton says that even with a burgeoning clean-energy cluster in New England, there’s probably not enough right now for every firm to get a piece. “But five years from now? I hope so.”

Jay Rizoli is a freelance writer based in Franklin.