

Fuel Cell Co. Jadoo Power Systems Charges Up with \$11M Series B

By Rizal Tupaz 4/12/2005

With \$11 million in new Series B funding, Jadoo Power Systems Inc., a provider of portable power products, said it plans to expand research and development and accelerate its product development.

The up-round was co-led by new investors Mohr Davidow Ventures and Venrock Associates. Strategic partner Sinclair Broadcast Group Inc., a television broadcasting company, also joined in this latest venture round. Prior investor Contango Capital did not participate, though it is still a shareholder.

In conjunction with the investment, Mohr Davidow Ventures General Partner Erik Straser, Venrock Managing General Partner Ray Rothrock, and Sinclair Broadcast Group Executive Vice President and Chief Financial Officer David Amy join the board. The board has four members, including Jadoo President and Chief Executive Larry Bawden, who said they will be looking to fill a fifth seat with an outside director.

Bawden said the company is also looking to expand its markets with the new funding. "Over the past few quarters, Jadoo's revenue and customer base have grown dramatically." Jadoo currently serves the video broadcast and surveillance markets and has development contracts with the military.

Professional video cameras used in the broadcast industry predominantly rely on rechargeable batteries as the power source on the field. Traditional, non-fuel cell battery technologies tend to have slow recharging and inconsistent run times. To address this problem, Jadoo will be launching a new fuel cell power system for broadcast cameras called the NABII, which it says will provide predictable power, extended runtime, reduced recharge times and is approximately 20% lighter than the previous system.

"Jadoo offers a superior alternative to...conventional batteries that degrade after the first use," said Mohr Davidow's Straser. Jadoo offers "real products and is selling into real markets; it is not an R&D project."

Venrock's Rothrock said Jadoo's new portable power system can provide the power required for a full day's shoot. "The company's advanced technology helps eliminate the camera operator's risk of missing a 'money shot' while fumbling with batteries."

Bawden is projecting revenue of more than \$2 million this year, which would bring the company close to cash flow break-even. He said the company will be looking for another funding round in about 18 to 24 months, anticipating a need to further accelerate its business at that time.

Jadoo currently has 30 employees. The Folsom, Calif.-based start-up raised \$5 million in its first round of institutional financing led by Sinclair Ventures, the venture capital arm of Sinclair Broadcast Group