

Jadoo VP replaces president, CEO

Fuel cell company recently completed third major fundraising series

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by [Celia Lamb](#)

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Fuel-cell maker Jadoo Power Systems Inc. has promoted its vice president of business development to president and chief executive officer, a week after the Folsom company received another round of financing.

Murali "Lee" Arikara replaces Larry Bawden, who stepped down to spend more time with his family, Arikara said.

Bawden, who founded the company with Arikara, did not return a message left with an assistant.

As director of business development, Arikara played a key role in lining up research agreements and funding from U.S. defense agencies.

"This is a fantastic opportunity for Lee to leverage his network of relationships ... as the face of the company closing deals," said Jack Crawford Jr., a general partner with Velocity Venture Capital LLC in Folsom.

Velocity led a round of financing announced last week that raised an undisclosed amount of money for Jadoo. It was Velocity's first investment in Jadoo, and its largest investment in any company. Jadoo's earlier investors -- Mohr, Davidow Ventures and Venrock Associates, both of Menlo Park -- also participated in the financing, said Mohr, Davidow Ventures partner Erik Straser in an e-mail.

Bawden will continue to serve as chairman of the company's board of directors.

"He's got industry expertise and contacts that will continue to remain important for the company," Crawford said.

Arikara "offers a perfect combination to carry us forward," Bawden said in a news release. "This is the time for new executive leadership, to step in and drive the company to realize its full potential; it is the right direction and the right time."

Jadoo makes fuel cells that use hydrogen to produce power for television cameras, surveillance equipment and other electronic equipment typically powered by batteries or propane stored in canisters.

Arikara said Jadoo has two major technology-development goals: making fuel cells that provide 10 times the power capacity of currently available batteries and selling fuel cells for mobile power supplies at the same price as propane generators.

Defense agencies have provided money for developing and field-testing some of Jadoo's technology, including fuel cells that have successfully powered unmanned air and ground vehicles, Arikara said. Fuel



Lee Arikara, former vice president of business development for Jadoo, will replace Larry Bawden as president and chief executive officer.

cells weigh less than batteries, so the company has also marketed them for walkie-talkies and other equipment carried by soldiers and emergency personnel.

The U.S. Fuel Cell Council, a Washington, D.C. trade group, reported in November that about 40 fuel cell products have reached the market. Jadoo appears prominently on the list with six products, had more than any other company.

Last year, the company received a contract from Windber, Penn.-based Kuchera Defense Systems to develop a fuel-cell system that is 70 percent lighter than the 80-pound battery packs used in military robots. In November, Jadoo announced it had been allocated \$2.4 million from the 2007 federal defense appropriations bill.

The company is also working on deals with businesses that make equipment for producing and storing hydrogen, such as canisters that hold compressed hydrogen, metal hydride tanks and chemicals that generate hydrogen on demand. Crawford said Jadoo's strong intellectual property enables it to give other companies access to its technologies.

"We have been able to take multiple fuel technologies and standardize them into our interface," Arikara said. The flexibility means more market potential for Jadoo's fuel cells.

The investment round led by Velocity was the third major fundraising series for Jadoo. Sinclair Ventures Inc. of Baltimore, a wholly-owned subsidiary of Sinclair Broadcast Group Inc., led the first round with about \$5 million in 2003. Mohr, Davidow and Venrock joined Sinclair to invest \$11 million in 2005.

The company would not disclose the money raised in the latest round, which was announced last week. Arikara said the company has received bridge financing in the past. It raised at least \$1.1 million through the sale of securities reported in a document filed with the state Department of Corporations in March.

The company had considered raising cash by floating an offering in the Alternative Investment Market of the London Stock Exchange this year. The AIM is a relatively easy market for small companies to join, but it doesn't provide much liquidity as trading volumes are low, Crawford said.

Jadoo balanced the costs associated with joining the market against the potential benefits and decided it didn't make sense, Arikara said.

An initial public offering of stock is a more likely strategy for Jadoo than selling to another company, Crawford said. But it will probably need to raise more money in the meantime, though neither Crawford nor Arikara would say for sure.

"A startup company is always going to be in the fundraising mode until we make a profit," Arikara said.

Jadoo has 20 employees, all in a Folsom plant where it assembles and tests its products.

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