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Climos aims to profit from hungry plankton

San Francisco Business Times - by [Lindsay Riddell](#)

Undeterred by the recent failure of its only competitor, San Francisco-based **Climos** is out to prove its ocean fertilization technique will reduce carbon emissions.

The company hopes to cash in on the technology by selling carbon credits from the resulting carbon reductions.

The process involves adding iron flakes to the deep ocean to accelerate the growth of carbon-absorbing plankton. The plankton naturally trap global warming-inducing gasses and pull them to the ocean bottom when they die.

But first it will have to shake off the legacy of **Planktos Corp.**, which suspended its pursuit of ocean iron fertilization in February, blaming "widespread opposition to plankton restoration in the environmental world" and an inability to raise capital to fund ocean trials, according to financial reports released by the company. Planktos reportedly lost \$2.6 million over its short life.

"Their approach was unscientific and they alienated a lot of people in the science community" -- mistakes Climos won't make, said Climos CEO Dan Whaley.

Climos has hired a team of scientists to advise it on processes, including Chief Science Officer Margaret Leinen an oceanographer who is the incoming chair of a section of the American Association for the Advancement of Science. The company also established an independent advisory board with scientists from the National Science Foundation, the National Center for Atmospheric Research and a former executive from the **World Wildlife Foundation** among others.

Climos recently landed \$3.5 million to fund an environmental impact report, science workshops that demonstrate the technique and an application for international permits needed to add iron flakes to the ocean for an initial demonstration. The company will need \$12 million to carry out a large-scale demonstration. Climos, founded in 2006, has seven employees and no revenue.

"We think the company has tremendous potential as the leading company in this way of monetizing offsets," said Dennis Costello, a partner at **Braemer Energy Ventures**, which led the financing round for Climos. "Basically, it is quite a cost-effective way of sequestering CO₂, and therefore the company has tremendous revenue potential."

A large-scale demonstration could involve a 38-square-mile patch of ocean where about 100 tons of iron flakes -- worth about \$3,000 -- would be added to the ocean.



Spencer Brown

Climos won't make the mistakes that competitor Planktos did, says Whaley.

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If it can prove measurable carbon dioxide reductions, Climos would ultimately sell carbon credits -- a \$60 billion global market in 2007, up from \$11 billion in 2005, according to Point Carbon, a Norwegian company that analyzes the market.

William Cochlan, a senior research scientist at the Romberg Tiburon Center for Environmental Studies, who has participated in three of the 12 major ocean iron fertilization experiments conducted by scientists, said he believes in ocean fertilization as a way to explain the ocean's relationship to the atmosphere but not as a way to ameliorate global warming.

"I have less reservations with the group Climos because of their strong science ethics compared to other commercial enterprises, but I still don't think it's really a strategy we're going to use for fighting climate change," he said.

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