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Plankton-booster Climos raises \$3.5M

San Francisco Business Times - by [Steven E.F. Brown](#)

Climos, a startup that aims to seed the ocean with iron to increase plankton growth and offset climate change, raised \$3.5 million in its first round of venture capital.

The San Francisco company got money from **Braemar Energy Ventures** and from Elon Musk.

Climos plans to spend the money on a project to spread trace amounts of iron in the ocean to boost the growth of phytoplankton.

Phytoplankton are algae that live close enough to the sea surface to use sunlight for photosynthesis, thus removing carbon dioxide from the air and converting it to oxygen. Atmospheric carbon dioxide traps infrared radiation in the earth's atmosphere via the greenhouse effect and raises global temperatures.

Dan Whaley, who started Climos with Dick Whilden, is its CEO. The two were business partners in the past, and Whilden was chairman of Whaley's company **GetThere Inc.**, an Internet travel reservation business started in 1994. Whilden is also chairman of Climos.

Another local company, **Planktos Inc.** of Foster City, failed in its own bid to seed the ocean with iron. Last month it cancelled its own project, recalled its research ship, and cut its staff, blaming "a highly effective disinformation campaign waged by anti-offset crusaders" partly for its failure.

Whaley said 2-year-old Climos differs from Planktos in three fundamental ways -- an "all star cast" of experienced scientists, a savvy team of managers, and a thoughtful and science-oriented approach.

"This is the best entrepreneurial startup team to focus on the world's biggest problem," Whaley said.

His company won't invest in its own ship because it simply isn't economical, he said, but will rent time on existing research vessels. "It's not going to be Climos out there in a boat with the name Climos on it."

The first iron-seeding cruise should take place in 2009, Whaley said, and will last from 60 to 70 days.

Climos will spend the money raised in this round on an environmental study of its planned project, hiring more employees and applying for international permits for its work. But the main benefit of this small round, Whaley said, is that it gives Climos credibility that will help it raise a larger "project round" later this year. Whaley hopes that round will be from \$12 million to \$14 million.

Dennis Costello, managing director in Braemar's Boston office, said the energy fund invested in Climos because of the scientific heavy-hitters in its lineup. "This is an outstanding scientific team, the most impressive we've seen, by quite a large margin," said Costello.