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WindSail Capital wants to fill clean energy funding gap, providing loans to growing companies

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By Scott Kirsner, Globe Columnist

Michael Rand and Ian Bowles are talking more openly this spring about a new financing firm they formed last year — perhaps because they're out shaking the money tree: [WindSail Capital Group](#).

Bowles, a former Massachusetts secretary of energy and environmental affairs, says, "Our ambition is to be the first sole-purpose clean energy lender." As the clean energy business transitions from scientists in white lab coats developing new technologies to technicians in blue jeans actually installing them, Bowles and Rand (pictured at right) say that many of the companies handling deployment need credit that isn't readily available.

"There's no venture capital for these companies that don't have intellectual property of their own, and if they're not profitable yet, they can't get credit," Bowles says. "Banks are still being very conservative."



WindSail set up a \$3 million loan for Boston's [Next Step Living](#) last year, to help the company grow; Next Step conducts residential energy efficiency audits and performs some home energy upgrades.

"If a company is installing LED lighting or solar panels, they have inventory and receivables, and those are assets," says Rand, who previously ran a private equity fund at Gordon Brothers. "We're lending based on that underlying asset value."

Rand says about half of the prospective deals they've been looking at have been in eastern Massachusetts, and half in the rest of the U.S.

"This industry is big already, and it's only going to get bigger in our lifetimes," Bowles says.

Both partners declined to talk about their fundraising efforts for WindSail, citing regulatory restrictions.