

German solar firm chooses Cleveland

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Mohrstedt and his top advisers spent two days in the city last month, arriving here convinced they would build headquarters in California. The foundation had invited them.

But after spending time with Mayor Frank Jackson, Case Western Reserve University researchers, the Ohio Department of Development's top people and others, the German group saw Ohio in a new light.

"We learned a lot about the infrastructure that interested us," Vaughn Buntain, IBC's vice president of international marketing, said Monday in a telephone interview from Germany. "We were very impressed."

Ohio has a strong manufacturing culture; is centrally located; has excellent rail, highway and port facilities; and offers robust research labs, Buntain said.

"We were impressed by the

ready access to the research environment. That is critical to us — access to research universities," he said. "We had a very promising meeting with Case Western Reserve University."

IBC also ruled out New Jersey after the two-day visit.

Founded in 1982, IBC Solar has designed and built 10,000 solar installations in Germany, other European countries and the Far East.

Sales for this year are projected at \$700 million. The U.S. solar market is just beginning to develop, and IBC is eager to establish a presence here.

Germany is the world leader in solar installations, though it has only about 70 percent of the sunlight Cleveland receives. A solar manufacturing industry in Ohio would create thousands of jobs, advocates say.

Despite the commitment to locate U.S. headquarters here, the company has nagging questions about the "renewable portfolio standard" in Strickland's bill.

"Our understanding is Ohio is in process of seriously considering some form of RPS," Buntain said. "When we were there a few

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weeks ago, one of the things we emphasized was Ohio needed to do that."

For months, the Cleveland Foundation has sent teams to Europe in an effort to sell Ohio to solar and wind turbine companies as the right place to manufacture. But these companies prefer states that support wind and solar. Pennsylvania, Illinois and Wisconsin all have such requirements and are competing for the same global companies.

Strickland included a rule in his legislation requiring power companies to generate 25 percent of their electricity by 2025 with "advanced energy" technologies — including 12.5 percent from wind, solar and other renewables and 12.5 percent from clean-burning coal plants and approved nuclear reactors.

But the bill has no milestones to meet between now and 2025,

and no penalties if the utilities do nothing. It would have been impossible to get those requirements through the Senate, which advocates say further weakened the bill by stripping out language ordering state regulators to develop milestones. The only requirement in the amended bill is that the Public Utilities Commission of Ohio hold a hearing in 2025.

"That means the utilities will wait until 2025 and say they forgot," Richard said, urging the Cuyahoga County delegation of state lawmakers to push for amendments in the House.

"Ohio has the opportunity, if we move very quickly," said Richard, former head of North American research and development for Panasonic. "I think Ohio can be the next Silicon Valley."

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U.S. headquarters here could be its production site

JOHN FUNK
Plain Dealer Reporter

IBC Solar AG, Germany's oldest solar vendor, will build its U.S. headquarters in Cleveland — and hopes to produce solar equipment here.

But whether the company begins manufacturing will depend on whether the state requires that a portion of the power sold here be generated with renewable energy technology such as solar panels and wind turbines.

IBC employs about 150 people in Germany and 200 worldwide to assemble solar systems manufactured by suppliers. Advocates of renewable energy say IBC's headquarters could be the first step toward creating an industry employing thousands of people in Ohio.

"I have decided to make Cleveland the U.S. headquarters for IBC," Udo Mohrstedt, chairman and CEO, wrote in a letter Nov. 5 to Cleveland Foundation President Ronn Richard.

Richard revealed the document Monday during a meeting with the Cuyahoga County delegation of Ohio lawmakers about the fate of Gov. Ted Strickland's energy bill, which would rewrite Ohio's utility regulations. The bill includes a rule about renewable energy — one that has already been watered down by the Ohio Senate and has an uncertain future in the House.

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