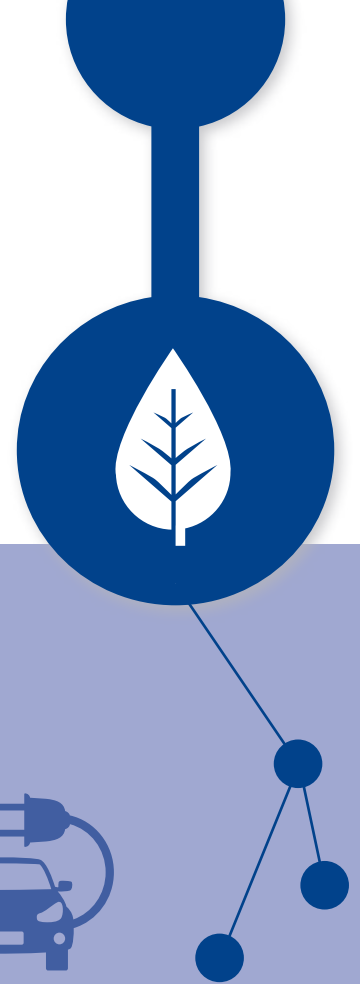


Clean Tech & Energy

Serious challenges and massive opportunities



The 2015 Technology Fast 50 winner in the Clean Tech & Energy category is home automation specialist Basalte. Founded in 2008, the company quickly became a supplier of products to over 50 countries.

We spoke to Koen Callens, Deloitte Industry Leader for Clean Tech & Energy, about what powers success in the sector.



"Companies sustain success by demonstrating delivery of added value products and solutions to their customers," said Koen. "This is sometimes a challenge in clean tech and energy, where many products require substantial upfront investment and the payback can take years."

This isn't the only obstacle facing start-ups in the sector right now. Low gas and electricity prices make it harder for new, more expensive technologies to compete. "There is strong government support for renewables," said Koen, "but the financial element of that support is reducing."

Yet another challenge has been the diversity of competing technologies. "Some winners have been identified, such as wind and solar, while others, like biomass, are struggling."

However, there is good news for businesses in the sector, which has seen positive changes over the last few years. "Up until recently, there wasn't much cooperation between start-ups and traditional energy companies," explains Koen. "That has changed substantially, with earlier engagement between entrepreneurs and established businesses. This includes financial cooperation through mechanisms such as minority stake investments and corporate venture capital funds."

Another big change is that entrepreneurs are becoming more daring. "Belgium is a nation of entrepreneurs, with family owned businesses dominating in many areas," said Koen. "But where their ambition used to be limited to Benelux or Europe, today they have a more global perspective."

The culture of innovation has spread to larger organisations as they consider the impact of trends, such as decentralisation of energy production. The big focus is on energy storage. "It's the Holy Grail of the energy landscape," said Koen. This is the area he finds most exciting and it's where billions of dollars are being spent in research.

"A method of helping people store energy in a cost-effective way will change the industry forever. Today only a minority use solar power, but that will change when a storage solution is found. It will really open up the market."

Deloitte's Technology Fast 50 helps companies in this sector remain focused. "Being a part of the Fast 50 process creates momentum and discipline," said Koen. "Winning or being shortlisted can help a company market itself to investors, and to think through what it wants to achieve."

Asked to describe how much the sector had changed over the last few years, Koen summed it up: "Clean tech and (renewable) energy used to be considered a niche market. Not any more—it's here to stay."

