

Business

Sen. Shaheen impressed by SustainX growth

◆ **Energy firm: SBIR program seen helping jobs creation.**

By **GRETYL MACALASTER**
Union Leader Correspondent

SEABROOK — Sen. Jeanne Shaheen, D-N.H., was impressed Wednesday with the progress energy storage company SustainX has seen since her last visit nearly two years ago.

Then, the company was still in West Lebanon, where it started in 2007 as a spin-off from Dartmouth College.

It has received at least two Small Business Innovative Research (SBIR) program grants and a Department of Energy grant since then that helped the company prove its technology, attract more than \$20 million in private investment and create, so far, nearly 30 in-house jobs.

In August, the company moved to Stard Road in Seabrook, which provides better access to major markets through its proximity to Massachusetts, and can accommodate its growth needs now and in the future, newly hired vice-president of business development Richard Brody said.

Shaheen has been a long-time supporter of the SBIR program, which Congress recently reauthorized for six

years through an amendment to the National Defense Authorization Act.

Since 2008, the program had received 14 short-term extensions, Shaheen said.

“SustainX is a perfect example of why I fought so hard to secure a long-term extension for SBIR,” Shaheen said. “The competitive SBIR grants that SustainX has won have helped it create good, high-paying jobs right here in New Hampshire, while supporting the development of cutting-edge technology that will keep America competitive in the global marketplace at the same time.”

Shaheen said one of the things that makes the SBIR program successful is that it is not funded through new tax revenue, but allows businesses to compete for existing federal research and development dollars.

She said the program has been “enormously successful” in helping small businesses create jobs in New Hampshire and around the country.

Thomas Zarrella, formerly of GT Solar, joined SustainX as Chief Executive Officer in July 2010 because he believes the technology is “game-changing,” he said, adding that the initial government funding was essential to get it to commercial viability.

“The business might not be



U.S. Sen. Jeanne Shaheen, D-NH, learns about SustainX's Isothermal Compressed Air Energy Storage pilot project from co-founder and director of systems engineering, Benjamin Bollinger, at the company's new facility in Seabrook on Wednesday.

GRETYL MACALASTER PHOTO

here today without that initial \$100,000 grant,” Zarrella said.

By 2013, SustainX plans to have its Isothermal Compressed Air Energy Systems deployed at a partner location.

On Wednesday, Shaheen saw a test run of the pilot system being tested at SustainX.

The system converts electrical energy into “potential” or stored energy as compressed air for later use.

The same process that takes the energy in works in reverse to send the energy back out, and converts it from heat back to electrical power, for use or to be sold back to the grid.

Brody said other energy storage applications are not as versatile, require specific types

of geological locations for compressed air reservoirs and serve only a limited market.

SustainX gets around those problems by operating at a higher efficiency and using mobile tanks to store the energy.

“It is a real opportunity to store large amounts of energy when there is low demand,” Brody said.

He said this is important not just for renewable energy, like wind, but also for conventional generation.

Representatives from Unifit also attended Wednesday, and have been working with SustainX.

◆ For more information, go to visitsustainx.com.

Fed vexed by housing recession

◆ **Bernanke: Agency can't end the slump by itself.**

By **JODY SHENN**
Bloomberg News

NEW YORK — Ben Bernanke is signaling his willingness to double down on a three-year bet that's failed to revive housing, showing the extent of the Federal Reserve chairman's effort to wrest a recovery from the deepest recession.

Since the Fed started buying \$1.25 trillion of mortgage bonds in January 2009, the value of U.S. housing has fallen 4.1 percent, and is down 32 percent from its 2006 peak, according to an S&P/Case-Shiller index. The central bank is poised to buy about \$200 billion this year, or more than 20 percent of new loans, as it reinvests debt that's being paid off. Some Fed officials have said they may support additional purchases that Barclays Capital estimates could total as much as \$750 billion.

Even as Bernanke and fellow U.S. central bankers consider expanding their efforts, they are acknowledging their inability to turn around the housing market without help from the rest of the government. Bernanke underscored the importance of residential real estate, which represents 15 percent of the economy, in a study he sent to Congress last week that said ending the slump is necessary for a broader recovery.

“They're definitely frustrated and disappointed,” said Stephen Stanley, chief economist at Pierpont Securities and a former Federal Reserve Bank of Richmond researcher. “I'm sure they would have anticipated they would have gotten

more bang for their buck.” While the Fed has helped push mortgage rates to record lows of less than 4 percent, home-loan borrowing in 2012 is forecast to decline to the least in 15 years. Americans who might refinance and buy properties are getting shut out by stricter lending standards or avoiding transactions as values tumble amid mounting foreclosures, according to the Fed study.

Bernanke's report urged Congress and President Barack Obama's administration to consider steps with short-term costs for taxpayers, such as widening the role of Fannie Mae and Freddie Mac, the government-supported mortgage guarantors.

At the same time, the central bank's purchases of mortgage bonds with yields at record lows is increasing the risk of eventual losses for the Fed, said Anthony B. Sanders, a professor of real-estate finance at George Mason University in Fairfax, Va.

So far, the Fed is reporting record profits. It said Tuesday it will pay \$76.9 billion to the Treasury as part of an annual dividend bolstered by its holdings. Brian Sack, the New York Fed's markets group chief, said in October 2010 its goal in buying bonds would be to stimulate the economy, not to generate profits, and acknowledged it's taking on some risk.

David Skidmore, a Fed spokesman in Washington, declined to comment on potential losses.

Federal Reserve Bank of New York President William Dudley, Eric Rosengren, president of the Boston Fed, and Fed Governor Elizabeth Duke

▶ See **Mortgages**, Page B4



Juliet Marine Systems' revolutionary new surface/sub-surface platform GHOST is seen during recent sea trials.

PRNEWSFOTO/JULIET MARINE SYSTEMS

Port City firm planning attack craft

PORTSMOUTH — Juliet Marine Systems Inc. said it will select a weapons integrator for its new product, GHOST, a high-speed attack craft specifically designed to protect waterways.

GHOST, which has been compared to an attack helicopter on the water, uses supercavitation technology and high-performance jet engines to achieve hull friction reduction and high speed, the company said in a news release. Its

large fuel capacity allows for long duration missions and its heavy weapons payload capacity ensures it can be weaponized to meet any threat.

JMS said the craft could be used to protect waterways such as the Straits of Hormuz, and to counter threats such as piracy.

JMS, a privately funded company, focuses on fleet security, and says it has been studying the problem of how to counter swarm attacks for several

years. Its research indicates future conflicts on waterways will require naval forces to operate close to shore, and that most navies operating in those types of regions deploy large ships that are not weaponized or agile enough to protect against swarms of high-speed boats.

Gregory Sancoff, JMS president and CEO, said in a news release, “No country would be able to keep Iran from closing

the Straits of Hormuz without conflict with Iran's small high-speed boats. These swarm attacks are the Navy's equivalent of the IED. GHOST is the counter-IED solution to this hit and run attack weapon.”

Sancoff said JMS is currently in discussions with defense companies to implement an appropriate weapons system.

◆ On the Net: julietmarine.com

Newsreel

Standex obtains new line of credit

SALEM — Standex International Corp. obtained a new unsecured \$225 million revolving credit with RBS Citizens N.A. as administrative agent.

Funds borrowed under the new credit facility may be used for repaying debt, working capital, capital expenditures, acquisitions and general corporate purposes.

Terms of the agreement allow Standex to increase the credit line by up to \$100 million, the company said.

The new agreement, which expires in January 2017, replaces an existing \$150 million revolving credit agreement, which would have ended in September 2012.

Ektron hosting webinar session

NASHUA — Ektron is holding a webinar, “Data-Driven Digital

Marketing: Use What You Know About Your Customers to Drive Revenue,” next Thursday at 1 p.m.

Featured speakers are Scott Liewehr, lead analyst, Outsell's Gilbane Services; Jon Miller, vice president marketing, Marketo; and Thomas Wentworth, chief marketing officer, Ektron.

Topics include integrating sales and marketing applications into your website; delivering content to the right user at the right time over the right channel; and aligning Key Performance Indicators with the customer experience.

To register, go to toektron.com/campaigns/webinars/Data-Driven-Digital-Marketing.

Ektron specializes Web Content Management.

17 NH residents included in aid

WASHINGTON — About 320 workers laid off by Evergreen Solar Inc. in Devens and Marlborough, Mass., will be aided

by up to \$738,179 in grants, the U.S. Department of Labor today said Wednesday.

Seventeen of the workers are New Hampshire residents.

“This grant will provide workers with access to re-employment and retraining services to help them obtain jobs in growing industries,” Assistant Secretary of Labor for Employment and Training Jane Oates said in a statement.

Of the \$738,179 announced Wednesday, \$329,776 will be released initially. Additional funding will be made available as need is shown.

Layoffs at Evergreen began in January 2011 and continued through May.

Workers also were separated from Advantage Technical Resourcing and Kelly Services, which provided on-site leased workers to Evergreen.

Tips for trading with Russia offered

CONCORD — The New Hamp-

shire International Trade Resource Center will host a seminar, “Doing Business in Russia,” Jan. 24 for participants to learn the ins and outs of Russian business practices.

The seminar at ITRC's headquarters at 172 Pembroke Drive in Concord will feature speaker Aleksei Svetozarev, a business development manager for MIG Express, a global logistics company offering customized supply chain management solutions to clients around the world. Seminar organizers say MIG “has exceptional networks and expertise in Russia.”

Registration will begin at 8:30 a.m.; the seminar runs from 9 a.m. to noon.

With Russia about to join the World Trade Organization, the ITRC says it is an opportune time to learn how to successfully do business with Russia, the world's 11th largest economy with the highest per capita GDP, \$15,900, among the BRIC (Brazil, Russia, India and

▶ See **Newsreel**, Page B4

St. Mary's Bank to move computer unit this weekend

By **DENIS PAISTE**
New Hampshire Union Leader

MANCHESTER — St. Mary's Bank will interrupt online banking, telephone banking and voicemail service this weekend to accomplish the move of its operations center to 48 Perimeter Road.

Starting after the close of branches at 12:30 p.m. Saturday, the credit union will shut down and relocate computers from 200 Bedford St. to its new facility near the Triangle Mall of South Willow Street.

“We expect to resume normal operations Sunday evening,” spokesman Liz Stodolski said Wednesday. The Martin Luther King civil rights holiday Monday will give the company breathing room if there are any snags.

St. Mary's is moving from leased space in the Millyard to

a building it now owns and fit up for the operations center. It will also include a branch, meeting rooms, a coin counting machine, ATM and night deposit window.

For now, only the operations center will be open. The branch opening is planned for sometime in the spring.

The \$5.5 million operations center will replace the Millyard presence, Stodolski said. About 90 employees will move.

The nation's oldest credit union, St. Mary's Bank has about 70,000 members.

It is also working on a new headquarters building at its McGregor Street site on the West Side near Catholic Medical Center.

◆ On the Net: stmarysbank.com

Write to dpaiste@unionleader.com.

PSNH customers to see rate drop

MANCHESTER — Public Service of New Hampshire said customers will see an average 2.5 percent drop in their electric bills for service beginning Jan. 1.

PSNH cut its energy service rate because of lower energy market prices and a forecasted reduction in operating costs at its power generating facilities, the company said.

The state Public Utilities Commission approved an energy service rate for the months of January and February of 8.31 cents a kilowatt hour. The previous rate was 8.89 cents a kilowatt hour. A residential customer

using 500 kilowatt hours of energy service from PSNH will see a reduction from \$89.01 to \$86.86 monthly.

Another rate adjustment may be made as early as March 1, since PSNH has asked the Public Utilities Commission to allow it to charge customers to recover its costs of building the state-mandated mercury reduction “scrubber” system at PSNH's Merrimack Station in Bow.

PSNH is New Hampshire's largest electric utility and serves more than 500,000 homes and businesses.

— **Denis Paiste**
New Hampshire Union Leader