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Partnership of IVP, MII far-reaching

Innovation Valley Partners, a \$35 million venture fund backed by local business leaders, has joined the \$4.65 million Series B financing of Multispectral Imaging Inc., an infrared-imaging company and Oak Ridge National Lab licensee.

This marks the fund's second new investment since being established four months ago as the affiliate of Battelle Ventures, a \$150 million fund whose sole limited partner is Battelle Memorial Institute, which co-manages ORNL for the U.S. Department of Energy with the University of Tennessee.

"MII is commercializing technology for a low-cost, high-performance infrared detector, the critical component of night-vision and thermal-imaging systems," explains IVP/Battelle Ventures general partner Kef Kasdin, who has joined the Board of Directors of the company, headquartered in Parsippany, N.J. "The company is working to solve the cost problem that makes the wide applicability of night-vision and thermal-imaging products impractical, if not impossible. Unlike its competitors, MII plans to use only semiconductor-industry standard materials and processes, which should significantly reduce costs."

MII Chief Executive Officer Matt Miller adds, "While thermal imaging has been used extensively by the military for night vision and vision enhancement, the high cost of this technology has limited commercial applications."

Miller also notes that the company's customers will be infrared-camera manufacturers, and that markets to be addressed are first responders (police, firefighters, search and rescue), the automotive industry and any organizations requiring the security capabilities of high-performance, low-cost infrared imaging systems.

"The microcantilever technology we have licensed from the lab lets us build our detectors without the need for special materials and processes, and that will have major implications for volume production and cost," said MII CTO Scott Hunter, who oversees technology development and manages the relationship with ORNL.

Kasdin says that because of IVPs/Battelle Ventures' close relationship with ORNL and the firm, and their interest in security and surveillance, she had been following MII's progress for some time.

"We are confident that MII has a truly disruptive technology and will not only take business from established players, but also will develop new markets. As costs come down, new applications and end users will emerge," she said.