

Minneapolis / St. Paul Business Journal - February 19, 2007
<http://twincities.bizjournals.com/twincities/stories/2007/02/19/story3.html>



BUSINESS PULSE SURVEY: [Should Minnesota crack down on cell-phone using drivers?](#)

Nanotech firm gets \$11M in venture funds

kgrayson@bizjournals.com | (612) 288-2106

Minneapolis / St. Paul Business Journal - February 16, 2007 by [Katharine Grayson](#) Staff Writer

Cima NanoTech Inc.'s big plans for its tiny metal particles have drawn the attention of venture capitalists in Japan and Korea, who have agreed to invest roughly \$11 million in the St. Paul startup.

The funds will help the company commercialize a product that could replace a more costly and chemical-laden process used in making components for plasma TVs.

Since its founding in 2003, the company has worked in nanotechnology, an area of research that involves manipulating materials -- in Cima NanoTech's case, metals -- at the molecular level.

CEO Jon Brodd said the firm plans to increase production of its nanometals and a liquid coating, applying them to a clear, conductive film. Plasma-TV makers would use the film to prevent electromagnetic radiation from seeping out of the TVs. Manufacturers now use a more complex process to do that.



NANCY KUEHN |
 MINNEAPOLIS/ST. PAUL
 BUSINESS JOURNAL
 Jon Brodd, CEO of Cima
 NanoTech, displays the
 microscopic pattern of
 nanoparticles that coat a
 film used with plasma TVs.
[View Larger](#)

Cima NanoTech's film would allow companies to reduce costs and simplify production, Brodd said. The cost savings could be passed along to consumers in lower prices for plasma TVs. That's especially important as competition between plasma and LCD TV makers continues to heat up.

Cima NanoTech was the first tenant at University Enterprise Labs, a research park for startups, but the company's operations are spread across the globe. Its research-and-development office is in Israel, and its manufacturing plant, co-owned with a partner, is near Hiroshima, Japan.

Brodd and his company originally came out of Aveka Inc., a firm 3M Co. divested. In 2002, Brodd merged Aveka's nanotech unit with a company in Israel, combining the firms' two technologies and creating Cima NanoTech.

Despite its name, the company is no relation to Eden Prairie-based Cima Labs Inc., a subsidiary of Cephalon Inc.

Brodd, a former business development manager in 3M's automotive department, has built up the company's reputation in the nano-tech field. Most recently, organizers of an international conference on nanotech -- which is held in Japan and usually attended by some 40,000 people -- selected Brodd as its representative from North America.

Brodd has turned mostly to investors in Asia, citing the region's strength in the electronics industry.

While the company's most recent round of fundraising will go toward plasma TV components, Cima also targets other markets in the electronics industry.

Cima uses nanoparticles to create conductive inks for printed circuits and other electronic components. The company has partnered with Schaumburg, Ill.-based Motorola Inc. to co-develop RFID tags, technology used to keep track of product inventory, livestock or even people. Meanwhile, the firm has worked with two other companies -- Xaar, in the United Kingdom, and iTi, in Boulder, Colo. -- to developed an ink-jet system.

The market for electronic inks may be worth \$7.7 billion by 2012, according to a report from NanoMarkets, a Glen Allen, Va.-based market-research firm focused on nano-technology companies.

The firm's recent fundraising round doesn't surprise Lawrence Gasman, a researcher with NanoMarkets, who said investment in electronics-focused nanotech companies has been on the rise over the last year and a half. He estimated that Cima, when it comes to conductive inks, has around 25 competitors.

"This whole area of printed and organic electronics is really beginning to get an interesting level of investment," he said, adding that smaller companies, such as Cima NanoTech, sometimes have an advantage over larger corporations because they're more willing to invest in innovation.

This article is for Paid Print Subscribers ONLY.

[Contact the Editor](#) | [Need Assistance?](#) | [More Latest News →](#)

If you are already a Minneapolis / St. Paul Business Journal subscriber please **create or sign into your bizjournals.com account to link your valid print subscription** and have access to the complete article.

Become a Print Subscriber



For immediate access to this article, as well as the most recent edition of Minneapolis / St. Paul Business Journal online, become a print subscriber.

[Purchase a Print Subscription](#)

[Create a Bizjournals Account](#)

Already have an Account

Email Address:

Password:



[Forgot Your Password?](#)

[Subscribe or renew online](#)

All contents of this site © American City Business Journals Inc. All rights reserved.