

Startup gives boost to electric cars: 'vending machines for electricity'

March 9 2009, By Matt Nauman

Richard Lowenthal used to worry about the electric-auto industry's chicken-and-egg question: Which will come first, the chargers or the cars?

But now that Coulomb Technologies has installed four of its ChargePoint Network electric-car charging stations in downtown San Jose, Calif., and just landed \$3.75 million in first-round venture funding, Lowenthal doesn't have time to worry.

"Our company is all about enabling the purchase of [electric vehicles](#)," said Lowenthal, chief executive of the Campbell, Calif., startup. "We want to make sure that everybody can fuel them."

Coulomb plans to have about 1,000 [chargers](#) in place by the end of the year. They'll be found on city streets, in parking garages, at companies and at gas stations - not only in California, but also nationwide.

"These are vending machines for electricity," said Lowenthal, who has a knack for one-liners that reflect his years spent as a small-town politician. He's a former mayor and city council member of Cupertino, Calif.

So far, only a few hundred electric and plug-in hybrid passenger cars exist nationwide, with probably the biggest share in the San Francisco Bay Area. But automakers such as General Motors, Toyota, BMW, Mercedes, Ford, Nissan and others say they'll have [electric cars](#) or plug-

in hybrids on the market in the next year or two.

Tesla, based in San Carlos, Calif., began selling its [electric Roadster](#) in 2008, while several garages in the Bay Area convert [Toyota Prius](#) hybrids to plug-in hybrids with extended electric ranges.

Investment banker Morgan Stanley forecasts 5,000 electric or plug-in cars will be on the road in 2010, 30,000 in 2011 and 100,000 by 2012. Lowenthal describes those projections as "conservative." Still, he said, if those numbers pan out, Coulomb will be profitable by October 2010.

Longer range, Lowenthal sees a potential windfall. President Barack Obama has said he would like to see 1 million electric and plug-in cars on America's highways by 2015. Lowenthal says about two chargers will be needed for every electric and plug-in vehicle, so the growth possibilities for his company are huge.

Coulomb sells chargers through distributors at a cost of \$2,000 to \$3,000 each, and now has distributors in 28 states, Lowenthal said. It also sells subscriptions to drivers of electric cars and plug-in hybrids, and shares the revenues with the charging-station owners.

The first buyers of chargers are cities and companies that want to make a green statement, he said.

That's why San Jose partnered with Coulomb, said James Helmer, the city's transportation director. He said the chargers fit into the city's policies of supporting local clean-technology companies and promoting cleaner cars.

San Jose has allowed Coulomb, as part of a two-year trial period, to install its chargers on city property for free. During 2009, anyone who uses the stations _ one is located on Santa Clara Street outside City Hall

and three are in the Fourth Street garage - will get the electricity for free.

The time required to charge an electric car varies widely among vehicles and battery types. While many who use a public charging spot are expected to merely grab a quick power boost, those who park vehicles outside their workplace could get a full charge from 9 a.m. to 5 p.m.

After the trial period, drivers will be required to sign up for the ChargePoint Network and pay a \$9.95 setup fee plus a monthly fee ranging from \$15 to \$50.

Drivers of electrics and plug-in hybrids will be able to choose a plan that fits their needs. One plan would include a monthly fee for anytime charging with unlimited charging sessions, while another would offer lower rates to owners who agree to charge only 10 times a month or who charge their cars during off-peak hours.

Coulomb Technologies raised \$3.75 million from Estag Capital, a German venture firm, in January. The money will be used for research as well as manufacturing its charging stations, Lowenthal said.

Coulomb is doubling its Campbell headquarters to 7,000 square feet. There was a hole in Lowenthal's office wall one day last week, and a hammer on his floor.

Comparisons to Better Place, another Silicon Valley electric-vehicle network startup, are natural. But that company, run by former SAP executive Shai Agassi, has more grandiose plans. It has raised \$200 million, and says it will raise billions more. It is working with Renault-Nissan to make electric cars, and plans a vast network of both chargers and battery-swap stations in the United States and elsewhere.

Lowenthal praises Agassi and Better Place for raising awareness of

issues related to electric cars, climate change and oil.

"That's all good for us," Lowenthal said.

ABOUT COULOMB TECHNOLOGIES

WHAT: Company makes and sells chargers for electric and plug-in hybrid cars and sells subscriptions for the electricity.

WHEN: Opened first four ChargePoint Network charger stations in downtown San Jose, Calif., in January. Plans to have 1,000 in place nationwide by the end of 2009.

HOW IT WORKS: A subscriber passes a key fob across the charger's face, allowing the door to open. User plugs in vehicle and the door locks to keep the power cord from being stolen. When the owner returns, he or she retrieves the cord and drives away.

HEADQUARTERS: Campbell, Calif.

EMPLOYEES: 30

INFORMATION: www.coulombtech.com and www.mychargepoint.net .

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