

BABEL

*How greentech firms can
grow their brand
in the year of COP26*



AUGUST 2021

FOREWORD

2021 is the year of COP26. Politicians, NGOs and investors, as well as greentech and cleantech companies, are all talking about, reporting on, promoting and debating the key issues impacting global heating, the climate emergency and the future of our planet.

In the run-up to the event, [Babel gathered an expert panel](#) to discuss the role of technology in fighting climate change and how, in the year of COP26, greentech firms can raise their profile among potential customers and investors.

Chaired by Babel's Simon Coughlin, the event featured Fiona Harvey, environment correspondent at the Guardian; Rami Reshef CEO of GenCell; and Nicolas Sauvage, president of TDK Ventures.

THE TEST OF OUR TIMES

“Time is running out” to cut carbon emissions and tackle the climate crisis, said [US climate change envoy John Kerry](#) recently. “The climate crisis is the test of our own times and, while it may be unfolding in slow motion to some, this test is as acute and as existential as any previous one.”

But it's not all doom and gloom. First, the fact that the US has a dedicated climate change envoy is a positive step in the right direction – the post was created by US President Joe Biden when he took office, in a move which came in stark contrast to Trump's climate-sceptic, Paris Agreement-rejecting years. Second, while Kerry's outlook was filled with a sense of foreboding, he also shone a positive light on the future. He called this year's upcoming COP26 conference a “pivotal moment” in a “decisive year.”

The 26th UN Climate Change Conference of the Parties will bring together stakeholders from across the world and from a range of different backgrounds, to accelerate action towards the goals of the Paris Agreement and the UN

Framework Convention on Climate Change. As host of the summit, the UK has been trying to convince other countries to adopt more ambitious climate goals ahead of the meeting. Prime Minister Boris Johnson has accepted the recommendations of the UK's Climate Change Committee to cut greenhouse gas emissions by 78% by 2035, and by 68% by 2030. Biden has pledged to halve his country's emissions by 2030 compared with 1990 levels. The role of technology will be integral if these ambitious targets are to be met.

Announcing policies such as these is much-needed, but everyone has their role to play. Companies must continue to invest in and develop new technologies, venture capital firms must continue to invest in and support the companies, the media must continue to tell the companies' stories to enable VCs to identify them and businesses to buy their tech, and PR and marketing agencies must continue to liaise and pitch in these stories to ensure media coverage.

“ *The climate crisis is the test of our own times.* ”

BANKING ON GREENTECH

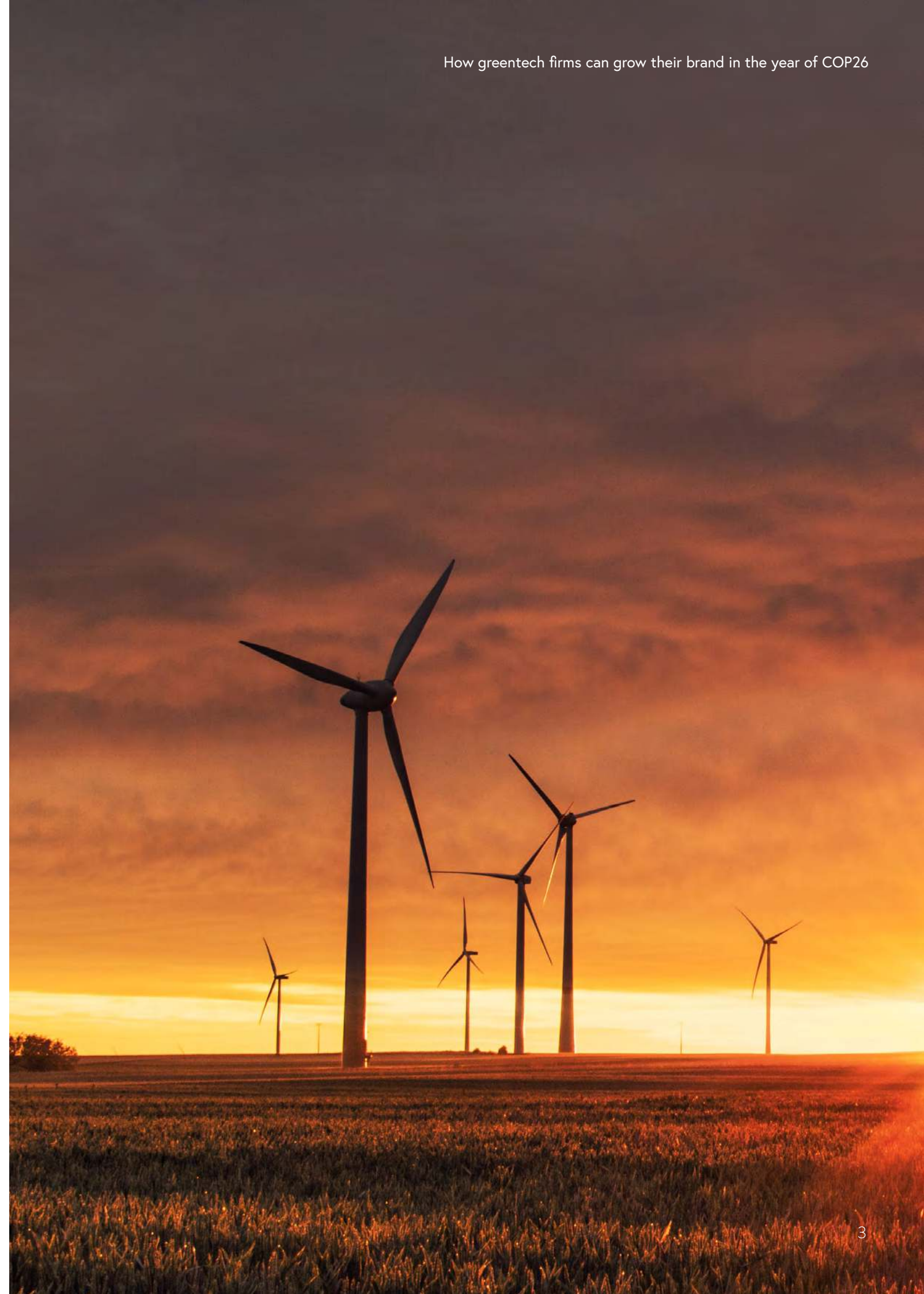
Fortunately, provided they have a solid story to tell, greentech companies will be conveying their messaging to a receptive audience. From stories of acid rain in the 1970s and 80s, to the hole in the ozone layer in the 90s and noughties, to extinction rebellion protests and the political climate impacting climate change (or ‘global heating’ and the ‘climate emergency’, as many tend to refer to these shifts) today: there has long been an appetite for climate-related stories, and there continues to be a readership interested in this most pressing of subjects.

Greentech firms have also found themselves in a fortunate position for another reason. The all-important financial backing from VCs mentioned earlier is on the up.

In 2019, a [report by TechNation](#) found that net zero companies in the UK secured £336 million in investment, ahead of both Germany and France. Last year, according to [data from PitchBook](#), investors sunk \$480 million (around £351 million) into the UK’s climate tech sector, spread out across 39 deals.

Also last year came an announcement from Amazon: the launch of its Climate Pledge Fund, ‘to support the development of sustainable technologies and services that will enable Amazon and other companies to meet The Climate Pledge—a commitment to be net zero carbon by 2040.’ The venture investment programme is a pot of \$2 billion which it’ll use to back companies that are helping drive this move to net zero. Amazon has long been the barometer for the tech/cultural/societal zeitgeist, and its move to invest in greentech is no different: where Amazon leads, others will follow.

As for today? [Sustainable investments total \\$35.3 trillion](#) or more than a third of all assets in five of the world’s biggest markets, according to a report by Global Sustainable Investment Alliance. It’s not only private financing which is backing greentech. In 2020, [EU leaders agreed](#) on a €550 billion investment package for green projects over the next seven years, marking the biggest ever single climate pledge. This financial injection will be much needed if we are to address, as Kerry put it, “the test of our times” and really tackle climate change in earnest.



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THE ROLE OF TECHNOLOGY

Kerry had also previously stated that half of the carbon reductions needed to get to net zero will come from tech that has not yet been invented.

We know that technology will indeed play a role, but many of the companies invested in developing such technologies have been around for years. Indeed, the Guardian’s Fiona Harvey seemed to disagree with Kerry’s assertion commenting during our panel event that, “it’s a bit wrong to say that we’re reliant on new technology to achieve emissions cuts.” She continued that although “we need new technology”, “at least half of the technologies that we need – the emissions reductions that we need – can be achieved with technologies that we have today.”

Harvey advocates for action now: we should not wait around “to see what pops out of a lab before we can do anything about climate change,” she said. We have technologies today that are proven and mature, she continued, stressing the importance of “renewable energy technologies such as solar and wind”, electric vehicle technology “that is now very advanced” and “energy efficiency technologies” which she said are “absolutely critical”.

One company that plays in this space is GenCell. The company develops fuel cells using ultra-reliable and exhaust-free technology to provide affordable, clean backup power for telecoms, security, healthcare and automated industries.

GenCell’s A5, said Reshef, “is the first fuel cell that is not only clean, reliable, weather independent and low maintenance, but also for the first time much more affordable than diesel.” It’s a “100% green energy” solution that offers “a real alternative” to diesel. As such, Reshef agreed with Harvey when asked to comment on Kerry’s assertion about the need for new (versus utilising existing) technologies: “we do have right now technology that can help us meet our sustainability goals,” he said.

However, that doesn’t mean that we shouldn’t also be looking to the future. Before the end of the decade, said Harvey, we’ll also need to look at new technologies in areas like aviation, and shipping, which, she said, “are very hard to decarbonise at the moment, but will be absolutely crucial if we want to carry on flying and keep transporting goods around the world in the way that we do at the moment.”

Greentech and VCs

THE “PERFECT” PARTNERSHIP

Developing both existing and new technologies requires sustained – and sustainable – financial backing, something one of our panellists knows a thing or two about.

As president of TDK Ventures – the corporate VC arm of electronic components and devices company TDK Corporations – Nicolas Sauvage invests in and serves early-stage innovative start-ups to support innovation in energy and environmental transformation. These start-ups include GenCell, a company he describes as “a really beautiful example” of how VCs can invest in firms that have both the technology needed to tackle climate change today, as well as “the technologies that need to be delivered” to stop future climate threats.

The importance of corporate backing is a given, but there are a lot of greentech companies out there all clamouring for the attention – and money – of VCs like TDK Ventures. Even if we look at just the UK, for instance, there’s a lot of competition. Of more than 32,000 high-growth UK companies [tracked on start-up database Beauhurst](#), for instance, almost 1,000 operate in the cleantech or greentech space. So, what exactly do VCs look for in a perfect partner? We put the question to Sauvage, asking what it was about GenCell that first attracted him to the company?

It was “the perfect example” he said, of a greentech company meeting three essential investment criteria:

A greentech VC shares his three essential investment criteria:

1. Financial returns

“The first is financial returns,” says Nicolas Sauvage, of TDK Ventures.

“We’re still looking at investing in companies that we believe are going to become the category-defining companies.” GenCell, for instance, has developed technology that is high-efficiency, low capex, he says. The company’s fuel cell has a much larger temperature range than battery cells and a much lower capex than solar and wind.

2. Strategic returns

“The second one we’re looking at is strategic returns, which is: how much are we going to learn from investing, how much are we going to help – with that ‘TDK goodness,’” says Sauvage. He explains, “what we’re hoping to do at TDK Ventures is not just to bring capital – this is important – but also what we call TDK goodness, which is everything we can do with our TDK mothership capabilities and skillset, to accelerate the success of companies that are really going to move the needle in terms of the environment.”

3. Doing good

“The third one is doing good, which is about sustainability and anything that can help towards a greener, more healthy planet.” However, this third must be combined with the other two, and on top of that, the company will only be a potential investment vehicle if it’s at the top of its game, and a real competitor in the greentech space.

Sauvage says, “When we search for the companies like GenCell we’re really looking at financial, returns, strategic returns, doing good for sustainability, but – are they the king of the hill? When we invested in GenCell we believed they were already the king of the hill for their current product.” He continues, “they have this holy grail, all green, green ammonia solution and that got us excited because that’s where TDK can really partner with GenCell to accelerate this development.”

THE IMPORTANCE OF PR

Securing funding requires awareness, and in a very busy market that's not always easy to achieve. There has long been a feeling among many members of the greentech c-suite that their firms are at a disadvantage when it comes to accessing venture capital, due to the longer time scales they operate on.

GenCell, however, bucks this trend. Not only does it have the right mix of technology and qualities to attract funding, its PR and marketing strategy has enabled it to effectively convey these not only to financial stakeholders, but important individuals and companies across tech and media sectors. We asked Reshef, how has marketing and PR helped GenCell to grow and succeed as a company?

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How PR and marketing can help greentech grow: tips from Rami Reshef, CEO, GenCell

1. “Develop an authentic and clear voice”

“In order for greentech companies like GenCell to grow, first and foremost, they must know the way [to communicate this],” says Reshef. The public is overwhelmed by a huge number of companies operating in this space, so really ask yourself, what's your company's vision? How will it realise it? Why is it important?

“All of these companies are claiming that they have the technology to overcome the climate crisis.” As such, having an authentic (Is your technology evidenced? Do you have case studies? Where's the research? The money?) and clear voice is critical when it comes to conveying your message and ensuring it's heard over the competition.

2. “Stay on the top of the market”

“I would say that because the greentech market is growing and developing so rapidly, it is key that companies stay on top of the market to learn about new developments. [This will allow them] to create the strategic partnerships that enable them to leverage the best technologies to develop the best possible solutions.”

3. “Investment in thought leadership”

“In order to stay on top of this market, investment in thought leadership and in experienced and expert marketing and PR professionals is key for companies like GenCell, [in order to] grow the company brand.” This contributes to a company “shaping the market position and expanding the community.”

A PR and marketing strategy should involve communicating “not only with the media,” said Reshef, but also “targeting industry leaders. If you want to have a route to market with strategic partners, you need to be exposed to them.”

The result of an effective PR and marketing programme – in Reshef’s words, of “intensively pushing the company to the media to be exposed enough that you’ll be able to meet the right potential partners” – is the formation of partnerships like that between TDK Ventures and GenCell.

It’s not enough that you have all the green technology in the world, nor that “you can change the world,” said Reshef. It’s also absolutely critical that you have “the right PR and marketing infrastructure around you, allowing you to extract the potential that you do have in your technology.” This is supported by Sauvage, who commented that greentech firms getting media exposure is important in order to get in front of investors such as himself. However, he continued, “it’s also important to make sure this is really the right story being told and it’s about telling what really matters.”

“*It’s also absolutely critical that you have the right PR and marketing infrastructure around you*”

TELLING YOUR GREENTECH STORY

We know what “really matters” to the VCs: meeting those investment criteria. But the media won’t cover a story unless it “really matters” to their publication and to their readers. Whatever area of greentech you operate in, said Harvey, your technology – and, perhaps more importantly, your story – has “got to really make a difference. It’s not enough anymore to have something that’s a bit green or marginal.” Instead, she said, it’s got to be something that’s actually going to “move the needle” and “make a difference.”

What does it mean to move the needle and make a difference? We asked Harvey what she’s looking for in a greentech story.



What do media and readers want? Do's and don't's of crafting a greentech story, from the Guardian's environment correspondent, Fiona Harvey

• Evidence and depth

What the journalists and editors are looking for most of all is "evidence that companies really get it," says Harvey.

"What we see an awful lot is companies coming up with something that they think ticks a few green boxes." However, under closer scrutiny and when you examine these firms' claims in more detail, "you find that it's very shallow, it's just some kind of far away commitment, it's a minor change to their product or something like that."

What the media want is depth. "This has got to go right through your company: right through every product and every service that you sell and produce. This has got to go right to the heart of your business. It can't just be an add on."

• Positive stories

"There can be an awful lot of negativity around climate change – of course, because it's a terrifying problem – and if we don't solve it then we are toast." However, says Harvey, "if we don't stay optimistic then we won't be able to solve the problem."

There is "plenty of air time" for companies with positive stories to tell, she says, "because no journalist wants to write just doom and gloom all the time." We've had enough negative news recently, and "no one can take that all the time".

• Greenwash won't wash

With COP26 coming up, "the greenwash detectors will be out in force." Members of the media are "very attuned" to those companies that try to give a false impression of their green credentials. "There have been companies in the past and there will be companies in the future and there will be companies coming to COP26 trying to pretend that they're doing an awful lot better than they are," says Harvey.

You can't expect to shine, she continues, "if what you're doing is not genuine and doesn't make a real difference, because the spotlight is on COP26 from a media point of view, and under the glare of that spotlight anything that you're doing that is suspect will be found out."

• Solutions

Optimism and positivity mean finding answers and tangible, evidenced means of tackling climate change: "we've got to have people with solutions." She continues: "you've got to keep presenting readers with, well, what's being done? What can be done? And what needs to be done?"

It's never enough "to keep presenting readers with a problem: you know, oh here's this terrible stuff happening; climate change." Instead think about the solutions, which could be political, regulatory, technical, and bolstered by finance and investment. Solutions could be "transformative and [involve] doing things in entirely new way" or they could be focussed on how technology is being utilised to "do things we already do but better, cleaner, greener."

"Solutions-based journalism now has a great opportunity," she concludes. "In the shadow of the pandemic and with COP26 coming up, that kind of journalism that focusses on solutions and can-do and what are the ways out of this mess,

The greentech space is an increasingly crowded one, with firms in traditional green sectors like energy efficiency jostling for space with those in vertical sectors claiming green credentials for their products. Getting your message out there can be a challenge. Getting it heard – by the media, by potential new customers, and by investors – even more so.

COP26 has created a heightened interest in stories of climate change and the role of technology, but that doesn't always mean a greater opportunity for your brand. Journalists and editors are attuned to greenwash, and are looking for stories with authenticity, depth, and which feature technology and solutions that have a measurable impact to matters of climate change. Investors – so critical on the growth

and profitability of many organisations – will be looking for the same.

Babel has vast experience of working with companies across the technology landscape, including a number of previous and current clients operating in the greentech and cleantech sector. We've developed strong relationships with relevant media, and also have an understanding of the green investment market. We work closely with all of our clients to develop PR campaigns that help companies tell their stories, reach their audience and deliver results. If you're interested in finding you how we can help you drive success – for your business and for our planet – in the year of COP26 and beyond, [we'd love to hear from you.](#)

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