

Clean beyond green

Since bringing its energy-efficient fuel cell technology from Australia to the UK, Ceramic Fuel Cells Ltd has worked with UK Trade & Investment as it expands into Europe



CERAMIC FUEL CELLS

Fast facts

Company: Ceramic Fuel Cells Ltd
Country: Australia
Industry: Energy & Environment
Website: www.cfcl.com.au

There's no doubt that awareness of environmental issues has increased significantly in recent years. People all around the world are taking positive steps to reduce the amount of energy they use, and Ceramic Fuel Cells Ltd (CFCL) is working to make energy efficiency a reality for industry and consumers alike.

Established in Melbourne, Australia in 1992, the company has developed micro-Combined Heat and Power (micro-CHP) units, which electrochemically convert natural gas into electricity through fuel cells, similar to batteries. This electricity can be accessed from regular sockets, in the same way as electricity supplied by the national grid. Initially, the company's target customers were major utility providers. But its latest BlueGen power generators, which are even more powerful and efficient than earlier models, are as small as a standard washing machine and so are suitable for domestic use.

"Natural gas is widely available, compared to diminishing supplies of carbon-based fuels," says Trent Rowe, Group General Manager for Product & Marketing at Ceramic Fuel Cells Ltd.

"Our system operates 24 hours a day, unlike renewable sources, such as wave and wind, which rely on weather systems and can therefore be intermittent. Having experimented with larger-scale units suitable for major power utilities, our scaled down micro-CHP units offer consumers a conversion efficiency that is two to three times that of the national grid, with lower carbon emissions."

Responsible restrictions

Clean technologies have become popular with investors, and when CFCL listed on the Australian Stock Exchange in July 2004, it raised A\$25 million. At this point, the company was already well-established both in its home state of Victoria, and in the wider Australian market.

To expand further, CFCL looked to Europe, where the European Union had announced plans to reduce carbon dioxide emissions, and to implement a continent-wide Emissions Trading System (ETS) by 2020. Such policies would make the company's product more attractive both to industry and domestic customers.

CFCL was attracted to the UK market, both in its own right and also as an access point to the skills, labour and other markets available in Europe. The company approached UK Trade & Investment (UKTI) in Melbourne to help plan and execute a market-entry strategy for the UK. With this support, including introductions to professional service providers and headhunters, CFCL was incorporated as a UK company in 2004. This was the start of its strong and continuing business relationship with UKTI.

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Soon after setting up in the UK, the company commissioned an Overseas Market Introduction Service (OMIS) report about its European options.

"We were looking for another major market that is pro-active about climate responsibility," says Trent. "Europe is working towards a 20 per cent reduction in CO₂ emissions, and an equivalent improvement in energy efficiency performance. The OMIS report provided essential information about entry into the European market, tailored to our specific product range, and business needs. UKTI also referred us to service professionals, advised us about immigration procedures, and introduced us to its network of partners. This support was instrumental in getting us up and running quickly."

Reaping rewards

In March 2006, CFCL was listed on London's Alternative Investment Market (AIM), raising £37 million. The company has also secured partnerships with UK operating utilities, including German-owned E.ON UK. And since October 2007, it has produced the ceramic powder for its fuel cells in the UK, after UKTI provided advice on locations for a local factory.

As CFCL secured its status within the UK, it joined UKTI Trade Missions around Europe. The company opened another factory for assembling fuel stacks in Germany in October 2009, and a central sales office in the Netherlands in April 2011. In recognition of these overseas achievements, the company won a Victorian Export Award in 2011. BlueGen itself won Microgeneration UK and DuPont awards in the same year.

As CFCL's UK business really took off, UKTI introduced it to agents in its network of partners for expert advice on becoming certified to connect consumers to the grid and the Feed-in-Tariff. In September 2011, the company secured approval from the Micro-Generation Certification Scheme. CFCL's domestic customers in the UK will now be able to sell excess electricity generated by their BlueGen micro-CHPs to the national grid.

"Without UKTI, it would have taken a lot longer to establish ourselves within the UK energy market," says Trent. "Their guidance and support has helped us all along the way, from deciding where to locate our UK factory, to considering which markets to export to. Now that we have secured MCS approval, we are excited to tackle the consumer energy market in the UK."

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The UK - Europe's leading investment destination

Every year around 70 Australian businesses of all sizes, decide to expand to the UK or increase their business presence there. It's the leading European destination for Australian businesses, and the second most popular destination overall - but why?

It's more than just our close political, historical and commercial relationships - It's because the UK is a fantastic place to do business. It provides a unique gateway of international connections, is a recognised leader in the fields of creativity and innovation and is the sixth largest economy in the world. The UK is also one of the easiest places to set up and run a business. According to the World Bank, it takes just 13 days to set

up a business in the UK, compared to the OECD average of 15 days.

The UK is home to four of the top 10 globally ranked universities, including Cambridge University which is ranked first. It is also the number one location for European headquarters: more overseas companies set up their European headquarters in the UK than anywhere else.

With over 2300 staff operating in 162 locations worldwide, in 96 markets, UKTI is ideally placed to help companies grow their business internationally, offering expert advice, influence and practical assistance in establishing a UK operation.

Setting up your company in the UK

Deciding where to locate your international business is one of the biggest decisions you'll make and can be daunting. UK Trade & Investment helps businesses coming to the UK with every aspect of setting up their new operations.

As the UK Government's inward investment agency, it's our job to know the UK's strengths and where investment opportunities exist.

This means we can help your company to do all the research you need to make an informed decision, and then get up and running as quickly as possible.

UK Trade & Investment can help you to:

- Do your research
- Build key contacts
- Choose your location
- Set up your new office
- Grow your business internationally

For more information visit: www.ukti.gov.uk



UK Trade & Investment is the Government department that helps UK based companies succeed in international markets. We assist overseas companies to bring high quality investment to the UK's dynamic economy. We provide companies with the tools they require to be competitive on the world stage.