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# Chernova's Take: SJF Ventures Sticks With Clean Tech—and Prospers

Fresh off closing its largest fund at \$125 million, firm survives economic cycles by keeping up a steady commitment to its principles



By

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Slow and steady wins the race.

So it goes for SJF Ventures, a 17-year-old venture firm with headquarters in Durham, N.C., that has just closed its [largest fund at \\$125 million](#).

Originally branded as the Sustainable Jobs Fund, SJF's first vehicle had raised \$17 million for a focus on job creation. It then expanded its mandate and now backs growing companies in clean energy, reuse and recycling, education, health care, and underserved job markets.

SJF was there when few investors cared about clean tech. It was there when [the hordes rushed in](#), and it was there when [many big names fell by the wayside](#), pummeled by poor investment choices. It's still here.

Last year was one of the best for exits for SJF. Its portfolio company NEXTracker was sold to Flex International for about \$330 million, just nine months after SJF first invested. That company created a cheaper tracking system that holds solar panels and increases energy output.

"I'm so tired of people saying, [clean-tech venture capital didn't work](#)," said David Kirkpatrick, co-founder and managing director at SJF Ventures. "There were two bubbles, in upstream solar

and in biofuels. If you subtract those...there were a lot of places where people have done well and made money.”

SJF has emerged through economic and political cycles without losing its focus. And it plans to do so again, even as the policy environment seems to be worsening for clean tech and for health-care startups as a new presidential administration comes into power.

Its ability to diversify—staying out of a sector that gets overheated or that loses crucial government support—has been a hallmark of its successful maneuvering, Mr. Kirkpatrick said.

Moreover, SJF’s companies are having real impact, helping labs reuse equipment via BioSurplus, providing micro-scholarships to low-income students via Raise, and avoiding the need to use new copper and other materials for underground power cables by rejuvenating existing ones via startup Novinium.

Mr. Kirkpatrick says SJF keeps its team motivated by keeping investments small, but also by trying to avoid the Silicon Valley approach of “setting the hurdle too high for exit.”

At the same time SJF has shunned the kind of “revolutionary” tech that others like Bill Gates, Vinod Khosla and other clean-tech supporters promote. That’s the purview of funds like the recently launched [Breakthrough Energy Ventures, a more than \\$1 billion venture](#).

“I’m glad they are doing it,” Mr. Kirkpatrick. “That’s not our cup of tea.”

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