



Memorandum

**TO: COMMUNITY & ECONOMIC
DEVELOPMENT COMMITTEE**

FROM: Paul Krutko

SUBJECT: SEE BELOW

DATE: October 10, 2008

Approved

Date

10/10/08

**SUBJECT: UPDATES ON PERFORMANCE REVIEW AND COUNCIL DIRECTIVES
NATIONAL/INTERNATIONAL PUBLIC RELATIONS AND COMMUNICATIONS
CONSULTANCY**

The City of San Jose engaged GlobalFluency, a Silicon Valley public relations agency with worldwide reach, to build awareness and recognition of San Jose as an important and dynamic metropolitan center. The purpose of the pilot program is to heighten global awareness of the City, encourage business development and foster a greater understanding of San Jose's place in today's global economy. Much of this effort is designed to showcase the many ways in which San Jose is a world leader in innovation and creativity in clean tech, high technology, business, civic and cultural arenas, and address longstanding awareness issues.

Despite San Jose's significant record of innovation and achievement in both the public and private sector, research and experience have demonstrated repeatedly that otherwise well-informed decision makers and opinion leaders outside the immediate area do not know where or how large San Jose is, and they have limited knowledge of our community's characteristics and achievements. Raising San Jose's visibility and shaping San Jose's identity are essential to achieving important economic development goals, including increasing business investment, increasing talent attraction, increasing air service, increasing federal funding, increasing visitor/convention bookings and increasing philanthropic support. The business community has consistently identified this problem in multiple focus groups, Council Study Sessions, and Business Appreciation interviews since 2003 and earlier.

Furthermore, San Jose's Economic Strategy, grounded in significant research and business/community outreach, includes Strategic Initiative #14: "Communicate a Compelling, Consistent Community Identity for San Jose."

“San Jose would benefit economically from having a strong, clear image regionally, nationally and internationally. Raising the visibility and stature of our community will help companies recruit and retain talent and investment in our area. It will also allow us to increase our community's influence with decision makers and opinion leaders outside our region. Working with our economic development partners, we should develop a collaborative approach to communicate consistently with target audiences.”

To address this, the City of San Jose launched Year 2 of a pilot program with GlobalFluency, in collaboration with two other funding partners: San Jose Mineta San Jose International Airport and the San Jose Conventions & Visitors Bureau. It is the intention of the funding partners to apply PR successes to their own missions by leveraging overall San Jose positioning. Furthermore, the funding partners understand the importance of elevating this public relations investment to further drive cachet exponentially to a broad audience.

This initiative focused on messaging strategy, presentations and media education, aligned around top City priorities, including:

- San Jose Green Vision/CleanTech
- San Jose's Diversity/ International City
- Innovation—Business and Civic
- Targeted Reputation Building to Attract International Air Service
- Art and Technology: 01SJ
- 1stACT Silicon Valley Partnership

To that end, the GlobalFluency has conducted targeted activities to position San Jose as 1) a global leader in innovation, creativity and opportunity; 2) engage in strategic conversations with press and thought leaders; 3) develop unified messaging approach to maximize resources and 4) work with industry groups to position San Jose as a destination for innovation and a gateway for international and domestic access to Silicon Valley.

Specific Accomplishments and Achievements from GlobalFluency

GlobalFluency continues to work successfully with city officials, public and private partners, and the national and global media to heighten the awareness of the City of San Jose. Below is an update on efforts and programs being developed and executed on behalf of the City and its funding partners.

Message Architecture:

To ensure consistent positioning and messaging, GlobalFluency worked with City partners to update the General San Jose Message Architecture—a document that unifies language around San Jose's position as a “21st Century City that's Incubating and Inspiring the Future.” The revised document incorporates important new proof points and economic indicators that are

unique hallmarks to San Jose, such as its industry sector diversity, green innovation accomplishments, and international business and innovation advancements.

Three additional messaging architectures are being developed to focus on specific differentiators in San Jose including Arts & Culture, the San Jose Green Vision and Civic Innovations. Once completed, it is the City's intention to encourage widespread use throughout the City, its partners and appropriate private sector collaborators.

Presentations:

GlobalFluency was charged to develop a strategic communications presentation for use by wide constituency to deliver the San Jose message. The agency has developed a main San Jose presentation that includes overall general information that is content rich and delivers strategic messages and message platform proof points. To complement this effort, an additional San Jose presentation is in development. It will be designed to be graphics heavy and specifically for live presentation delivery—complete with script and speaking points that will make general presentation easy to pick up and deliver.

For San Jose Mineta International Airport, the agency created a presentation that communicates to airlines and potential markets—in a clear and clean manner—details of Airport upgrades, service offerings and Silicon Valley Market overview. It is designed to be leveraged by Airport officials to deliver introductory or general information, statistics or user/demographic data and promotes the importance of San Jose's hub for global innovation partnered with state-of-the-art airport and transportation connectivity.

Pitches and Message Use:

City officials and partners met with GlobalFluency to develop critical message points that are used for all outreach activities. This exercise included consulting with Airport executives to work through messaging, presentation and proof points to develop a communications roll-out plan. The agency also met with key constituents within the city including representatives from Redevelopment, Convention and Visitors Bureau, the San Jose Downtown Association, and developer PR roundtable to ensure all stakeholders had a voice in the message architecture development.

With our Airport and 1stACT partners, Global Fluency is working to develop a corporate support circle to demonstrate to major carriers that the business community in San Jose is dedicated to the growth and development of the Airport. This effort further unifies intentions and messages delivered by corporate stakeholders and gives corporate stakeholders a tangible "cause" that affects their bottom line business and position within the community.

GlobalFluency also communicated with various San Jose based corporate communications departments to gauge interest and desire to utilize the San Jose Message Architecture. This resulted in Deloitte developing a HR recruiting brochure that utilized key message and proof points highlighting the benefit of joining the San Jose-based offices to potential candidates from around the world.

Media Outreach:

Global Fluency aggressively continued a media relations outreach campaign to raise awareness levels of national and international top-tier journalists at influential business and news outlets, wire services and foreign bureaus. This included briefings booked with outlets including The Wall Street Journal, Fortune, Forbes, The Financial Times, BBC, Investor Business Daily, New York Times, Bloomberg, Reuters and Associated Press. Additionally, press pitches were developed that focus on major initiatives and landmark San Jose programs such as the significance of the opening of Underwriters Laboratories in San Jose and the new Tesla facility development in North San Jose. Pitches also have amplified the City's "innovation and opportunity" positioning and have focused on the new technologies, cultural components and new service opportunities at the San Jose airport. Other work touted arts and cultural innovations as demonstrated by Leonardo exhibit at The Tech Museum of Innovation

Overall outreach has resulted in:

- over 18 million media impressions
- an extended 555 million impressions per month

In most cases, Global Fluency identified and made contact with multiple contacts at each news outlet and publication. Given the relevance of clean tech, Green Vision and economic development pitches, these activities contributed to a high level of impressions globally with a sentiment and tonality that were favorable, positive and forward looking. Coverage has been included in the following outlets:

- Arizona Republic
- Associated Press
- Barron's
- BBC
- Bloomberg News
- Business Week
- Christian Science Monitor
- CNET
- EE Times
- Financial Times
- Forbes
- Forbes.com
- Fortune
- GreenBiz.com
- GreenTech Pastures Blog (ZDNET)
- Investor's Business Daily
- New York Times
- Newsweek
- NTDTV

- Reuters
- San Francisco Chronicle
- San Jose Mercury News
- Solar Power Rocks!
- Sustainable Industries
- TIME
- VentureBeat
- Wall Street Journal
- ZDNET

The effectiveness of GlobalFluency is demonstrated by the agency's ability to immediately take action on significant news making opportunities as they are presented:

- *Underwriters Laboratories*: stories appeared in outlets as diverse as Barron's to the Silicon Valley Business Journal.
- *Tesla*: the ability to act quickly and capitalize on existing Green Vision relationships and continued and consistent outreach resulted in significant exposure for the Tesla announcement including coverage in Bloomberg, the New York Times, the Associated Press (which was picked up nationally), BBC, Reuters, the Wall Street Journal, Forbes, CNet, Business Week and a significant pending opportunity with NBC Nightly News.

One of the most powerful indicators of success is when City messages become powerful enough that they are communicated when not a single City representative is in the room. Instead, it is the messages that third parties say about the City—when we are not there—that resonate most clearly with our targeted audiences. With the City's GlobalFluency relationship this has resulted in the influential journalists, thought leaders and conference organizers actively seeking out San Jose opinions and counsel on top issues of the day, including clean tech company incubation, green collar job growth and city policies that allow for a strong, vibrant municipality.

For example, Mayor Reed presented the opening conversation at major a top-tier green conference, Going Green presented by AlwaysOn, held in San Francisco. This conference included business innovators, green and clean technology business developers and Venture Capital firms who are looking to connect and develop innovations in Green product, business and technology investments. San Jose's Green Vision was introduced to the attendees. The appearance has resulted in many of those leaders present now inquiring about San Jose opportunities.

Next Steps

With solid accomplishments leading to heightened awareness and a strong foundation for further successes, staff intends to recommend extending the GlobalFluency engagement to a third year as a part of the FY 2010-11 budget process. As other city-regions continue to spend millions of dollars annually on national/international PR and advertising, including San Francisco at \$1 million, San Diego at \$5 million, Washington, D.C. at \$10 million and Las Vegas at \$60 million,

maintaining a strong public and press presence globally will be inherently important to San Jose's economic development efforts and determining where to locate their companies and homes

COORDINATION

This memo was coordinated with input from the Office of Economic Development, the Aviation Department and the Convention and Visitors Bureau.


PAUL KRUTKO
Chief Development Officer

Attachment

APPENDIX A:

San Jose Coverage March-early October 2008

Number of unique Articles: 95

Daily Web Circulation: 12,335,642 Monthly Web Circulation: 370,069,260
Daily Print Circulation: 6,197,157 Monthly Print Circulation: 185,914,710

Daily Total Circulation: 18,532,799 / Monthly Total Circulation: 555,983,970

Tesla Model S luxury 5-seater to roll out of new plant + HQ in California
<http://paultan.org/archives/2008/09/23/tesla-model-s-5-seater/>
PaulTan.org, Paul Tan
Sept. 23, 2008

Web Circulation: 150

While the Tesla Roadster is being assembled at a Group Lotus PLC factory in Hethel, Tesla is preparing the production center for its next model, a zero-emissions luxury sedan. Tesla is building a \$250 million facility that will include a production plant for the new sedan as well as its corporate headquarters and R&D center. It will be located in San Jose, California.

The new Tesla sedan was previously referred to as "Project WhiteStar" and is currently referred to as the "Model S". It will feature 4 doors, 5 seats, and zero emissions. It will use lithium ion batteries for a maximum range of 386km and its base price will be about US\$60,000 or about RM204,000, much cheaper than the Roadster's US\$109,000 price tag.

A more expensive version will come later equipped with a range extending internal combustion engine to charge the batteries when you are unable to get the car to a plug-in charging point - this is much like the concept of how things work with the Chevrolet Volt.

The first Tesla Model S is expected to roll off the production line in late 2010. Both the Roadster and Model S will be priced far out of reach of common folk, but Tesla hopes the profits from the Roadster and the Model S can fund a third car - an affordable electric car currently known as Project BlueStar.

San Jose Mayor to Cleantech Startups: Call Me!
<http://earth2tech.com/2008/09/22/san-jose-mayor-to-cleantech-firms-call-me/>
Earth2Tech, Katie Fahrenbacher
September 22, 2008

Web Circulation: 3,567

The mayor of San Jose, Chuck Reed, has a message for all the cleantech startups out there — give him a call and let him know what you need. In a video interview with us Reed gives out his digits and tells green companies looking to do business — building plants, establishing headquarters — to come to San Jose and contact the city to see what kind of incentives are available. Reed says the city can move at the speed of business, which was the key to securing the new Tesla plant. Tesla Chairman Elon Musk told us in a previous interview that he was really surprised that the city of San Jose could move so quickly, "almost like a commercial operation."

(VIDEO)

Check out our video on how Reed intends to turn San Jose into the cleantech capital of the world, with a Green Vision plan that calls for 25,000 cleantech jobs, reduced per capita energy consumption by 50 percent and 100 percent of the city's electricity from clean power, all within 15 years.

On the Job Front

<http://www.jobjournal.com/thisweek.asp?artid=2461>

Jobwire, CJJ Staff

Sept. 21, 2008

Web Circulation: 7,545

SAN JOSE – Tesla Motors Inc has leased 89 acres to build its new headquarters and electric sportscar plant. A 1000-person workforce is slated to produce 15,000 cars per year. The lithium-ion powered Model S is scheduled to roll off the assembly line by the end of 2010.

Habits to help you save at the pumps

<http://www.jamaica-gleaner.com/gleaner/20080921/auto/auto3.html>

Jamaica Gleaner, Paul Messam

Sept. 21, 2008

Web Circulation: 2,185

IT IS a known fact that one's driving habits have an enormous impact on fuel consumption. With the help of Kurt Harding, an experienced St Andrew-based auto mechanic, Automotives offer the following tips that can help you save at the pumps.

Do not tailgate

It is both dangerous and uneconomical. From a fuel consumption standpoint, a 'tailgater' is alternately hitting the brake pedal and accelerator pedal. This wastes fuel.

Maintain a steady speed, within limits

Gas consumption increases with speed. When driving, for example, at a steady 50 mph, approximately half of the fuel used by a motor car is used to push air out of the way.

Avoid jack rabbit starts

Fast starts cut fuel economy. Slow starts, getting into high gear as quickly as possible, and moderate, consistent driving will significantly improve your fuel economy record.

Practise stop and go passing

To pass another vehicle, it is best to avoid running up its back, slamming on the brakes and hitting the accelerator pedal to get around. Instead, start your pass well to the rear, so you can swing out smoothly and execute the pass without braking and then hitting the accelerator pedal.

Do not idle excessively

An engine that idles for three minutes uses as much gas as a car that is driven half mile at 30 mph.

Try not to brake unnecessarily

If you can keep rolling, do not stop. This means trying to time traffic lights. If a light in the distance is red, coast up and brake slowly. If the light turns green before your car reaches the intersection, apply steady pressure on the gas pedal. Stay off the brake pedal if you can.

Ensure tyres are properly inflated

Keeping tyres inflated to the correct air pressure and having front wheels properly aligned reduce friction that puts drag on the car. The engine must work harder with improper inflation, consuming more gas to overcome drag.

California taxes and fees already appear to be too high. So, the state clearly needs to reduce expenses, especially welfare costs, and it must become more business-friendly to get back some of the private business that has been lost.

I lived in New Mexico from 2003 to 2006. Movies filmed there, just during that period, because Governor Bill Richardson wooed the California film industry, amounted to millions gained for the Land of Enchantment and millions lost to the Golden State. The just announced deal for Tesla, the electric car manufacturer, is a great example of what is possible for California, though.

The mayor of San Jose courted Tesla for months and the city is providing an 89-acre parcel of land, free for 10 years, for the 1,000 employee, "green" plant. California may be broke and, perhaps, a little broken, but, it's not beyond repair.

California's economics leave a big impression
http://www.record-bee.com/ci_10523309
Record-Bee, Gary Dickson
Sept. 21, 2008

Web Circulation: 322

I'm now into my sixth month of living in California. It's been mostly a positive experience. I imagine that many people who have never lived here have some preconceived notions about what California living is like.

Some of mine were right and some were wrong. One thing that hit me immediately was, of the six states I have called home, California is the most expensive. Food, fuel, utilities, housing and just about everything else costs more here.

So, in my early days in the state I asked myself and others this question. How can such a high cost of living place, with over 36 million people, ranking in the top ten economies in the world, be perpetually broke? The current state situation is a \$15 billion budget deficit, state government is into the third month of the fiscal year without a spending plan and Governor Schwarzenegger said he will veto the Legislature's offering.

My question caused me to read what some Californians think about the problem. Fred E. Foldvary recently wrote that "California's budget problems go back to 1978, when voters approved Proposition 13 to amend the constitution to limit real estate taxes."

He added, "Local governments were deprived of its natural source of revenue, land value." When more power shifted to the state, sales and income tax increases started to erode California business. Foldvary claims that lost businesses and lost state income from those businesses is immense.

Dr. Madeleine Perner Cosman claims that illegal immigration is a primary cause of California's financial crisis. Her assertion is that the "anchor baby" issue and its peripheral expenses are

forcing state hospitals out of business and placing horrendous cost burdens on the state welfare system.

The current interpretation of the 14th Amendment makes the child of an illegal alien in the U.S. an immediate citizen, which provides permanent residency to the parents. Dr. Cosman wrote that, "At least 300,000 to 350,000 Anchor Babies annually become citizens in California "

All those births would be a financial boon to hospitals, if all the parents were paying the bills. They are not and Dr. Cosman cites this as the cause of about 50 percent of unpaid hospital monies and the closing of 60 California hospitals. The expenses don't stop at birth, either. Parents can receive up to \$500 a month per child in welfare for a healthy baby and more if the child isn't healthy.

Another article that I read even took the approach that, while smoking bans might be good for the physical health of the citizenry, they have not been healthy for the state's economy. The author estimated that from 1990 to 2005 California restaurants and bars lost \$34 billion in business because of the smoking ban movement.

These are just three of the theories I encountered. Economics 101 tells us that for an individual, family, business or government to be financially successful, the key is to bring in more money than spent. If that doesn't happen, individuals and families generally add credit card debt. Businesses cut expenses and consider raising prices. Governments borrow and raise taxes and fees.

Tesla Motors declares San Jose its future home

[http://www.search-autoparts.com/searchautoparts/Industry+News/Tesla-Motors-declares-San-Jose-its-future-](http://www.search-autoparts.com/searchautoparts/Industry+News/Tesla-Motors-declares-San-Jose-its-future-home/ArticleStandard/Article/detail/551101?contextCategoryId=41884)

[home/ArticleStandard/Article/detail/551101?contextCategoryId=41884](http://www.search-autoparts.com/searchautoparts/Industry+News/Tesla-Motors-declares-San-Jose-its-future-home/ArticleStandard/Article/detail/551101?contextCategoryId=41884)

Motor Age, Chris Miller

Sept. 19, 2008

Print Circulation: 11,252

Web Circulation: 584

Tesla Motors will set up shop in San Jose, Calif., as the city will serve as the future headquarters for the electric-car manufacturer.

The deal will involve about 90 acres of land, adjacent to a water-treatment plant, and would involve a 40-year lease with the city, the first 10 years being rent-free.

"Big deals like this happen when both parties have something significant to gain," says Tesla President and CEO Ze'ev Drori, who praised San Jose Mayor Chuck Reed's 15-year "Green Vision" job-creation initiative. "Locating Tesla's headquarters, manufacturing and R&D in San Jose will allow us to proceed with minimum disruptions and virtually no dislocations."

After the 10-year deferment period, Tesla would pay \$1.5 million for the property, with a 2-percent rent increase per year. The \$250 million facility will be home to a Model S assembly plant, corporate headquarters and an R&D campus, according to a Tesla news release.

As part of the agreement, Gov. Arnold Schwarzenegger has vowed to waive the sales tax on \$100 million worth of equipment for the automaker, which plans to make high-end cars like its \$100,000 Roadster, and a more affordable Model S Sedan.

Tesla chose this location because of the area's high-tech workforce, this being Silicon Valley, and the company expects a number of its buyers to hail from California. The factory and headquarters could bring with it as many as 1,000 new jobs.

The factory will be 20 miles from the current headquarters in San Carlos, according to Drori, who adds construction is expected to begin next summer.

The plant will produce the Model S, a zero-emission, five-passenger luxury sedan powered by a lithium-ion battery pack, expected to cost \$60,000 and get about 240 miles per charge. The first sedans will likely roll off the assembly line in late 2010, says Drori.

"Last week, we announced that we ramped up production in Hethel and had about 1,200 customers waiting for the Roadster," he adds in a recent blog posting. "It's a fascinating time to be at Tesla — we're experiencing an unprecedented amount of momentum."

All-electric roadster's company plans Silicon Valley factory for luxury sedan
http://www.orlandosentinel.com/services/newspaper/printedition/friday/orl-a2gaswatch1908sep19_0,1030372.story
Orlando Sentinel, Steven Cole Smith
Sept. 19, 2008

Print Circulation: 213,406
Web Circulation: 32,253

Tesla, the California-based company that is building a \$109,000 all-electric sports car in England, has confirmed that the company will build a \$250 million factory in North San Jose, Calif., to manufacture an all-new car and serve as company headquarters. Construction on the 89-acre site is expected to begin in the summer of 2009. When fully operational, the facility should employ about 1,000 workers.

The plant will produce the Model S, Tesla's zero-emission, five-passenger luxury sedan powered by a lithium-ion battery pack. It is expected to have a base price of about \$60,000 and get about 240 miles per charge, Tesla President and CEO Ze'ev Drori says. He says the first sedans should roll off the assembly line in late 2010. Tesla will be able to produce at least 15,000 sedans per year, or "up to 30,000 if we add a shift," he says.

Production of the Tesla Roadster sports car, built in partnership with Lotus, has been slower than expected, with only a handful of cars reaching customers. But Drori expects to be building 100 of them a month by December.

US: Tesla Motors to build electric luxury car plant in Silicon Valley
http://www.automotive-business-review.com/article_news.asp?guid=A07036A0-2990-4799-885B-55CA457A09F0
Automotive World, David Isaiah,
Sept. 18, 2008

Web Circulation: 10,500

Tesla Motors says it will build a new electric car plant south of San Francisco in the more populous city of San Jose.

ARTICLE: FOR SUBSCRIBERS ONLY

Tesla Motors to Open New Factory and HQ, Plans Sedan Production
<http://www.tomsguide.com/us/tesla-electric-car-sedan-roadster,news-2615.html>
Tom's Guide, Devin Connors
Sept. 18, 2008

Web Circulation: 635

To compliment a an all-electric, zero-emission sedan announced in June, Tesla announced that it would be building a \$250 million dollar factory north of San Jose, Calif. The electric auto maker is also relocating its headquarters and R&D efforts onto a consolidated campus to the city.

ZoomAccording to Tesla President and CEO Ze'ev Drori, the move from San Carlos to San Jose has a lot to do with San Jose Mayor Chuck Reed. "Big deals like this happen when both parties have something significant to gain," said Drori, who praised [Reed's]15-year "Green Vision" job-creation initiative. "Locating Tesla's headquarters, manufacturing and R&D in San Jose will allow us to proceed with minimum disruptions and virtually no dislocations."

The new factory will be located on 89 acres of land north of San Jose, and is expected to be certified gold by U.S. Green Building Council Leadership in Energy and Environmental Design, or LEED. Also, according to Engadget, the first ten years of the 40 year lease <http://en.wikipedia.org/wiki/Leasing> on the factory's land is "rent free", which should certainly help cash flow for the car maker. About 1,000 jobs are expected to be created by the new factory, which will exclusively make the sedans, leaving the Roadster production in the U.K. On top of the favorable lease, California is also "...stepping in to provide a sweet tax-free rent-to-buy deal on the factory equipment..."

The new sedan being launched by Tesla is the luxury S sedan. This \$60,000 (base price), all-electric sedan will get over 240 miles per charge with "exceptional performance," and is expected to compete with the BMW 5http://en.wikipedia.org/wiki/BMW_5_Series -Series and the Mercedes-Benz E Class. Tesla's Product Architect<http://en.wikipedia.org/wiki/Architect> and Chairman Elon Musk seems pretty excited about the new offering. "Tesla has amazing momentum right now. The excitement within the company is palpable...The company has clearly taken production of all-electric vehicles electric vehicles to the next level, and the Model S assembly plant will dramatically accelerate our growth."

The Tesla Roadster, which goes from 0-60 in under four seconds, redlines at 14,000rpm, and still manages to get over 240 miles per charge, is most famous for it's gearbox <http://en.wikipedia.org/wiki/Transmission> . The one-speed gearbox offers all 280 lb-ft of torque from 0rpm, making the driving experience unlike anything else on the road.

Electric-Car Manufacturer to Build in Silicon Valley
<http://www.industryweek.com/ReadArticle.aspx?ArticleID=17355>
Industry Week, Jonathan Katz
Sept. 18, 2008

Print Circulation: 4,219
Web Circulation: 1,747

Tesla Motors Inc. has selected San Jose, Calif., for the site of an electric-car assembly plant that will also include a corporate campus and research and development center where the company will employ an estimated 1,000 workers, said President and CEO Ze'ev Drori in a statement released Sept. 17.

The company will build its zero-emission, five-passenger Model S luxury sedan at the \$250 million facility. The Model S will be more modestly priced than Tesla's \$109,000 Roadster sports car. The company expects the base price for the Model S will be about \$60,000. The car, which operates on a lithium-ion battery pack, will get approximately 240 miles per charge, according to Drori.

Tesla selected San Jose because of its highly skilled engineering base and support infrastructure. Construction on the facility, which will be located 20 miles from its current headquarters in San Carlos, is expected to begin in the summer of 2009.

The first sedans are expected to roll off the assembly line in late 2010. Tesla will produce between 15,000 and 30,000 cars per year.

Drori says the facility signals the job-creation potential of green manufacturing.

"The new corporate campus is tremendous news for Tesla, and it's just the latest in a string of positive announcements -- a refreshing change of pace from the gloom and doom of Wall Street in recent weeks," wrote Drori. "Our success is proof that clean tech can really drive job creation in the 21st century, leading to dramatic improvements in the economy and the environment."

Tesla to open electric car plant in San Jose

<http://www.eetimes.com/news/latest/showArticle.jhtml?articleID=210602458>

EE Times, Sheila Riley

Sept. 18, 2008

Print Circulation: 26,000

Web Circulation: 1,249

SAN FRANCISCO — Tesla Motors will open a \$250 million electric car assembly plant in San Jose, Calif., a major step in the tech center's efforts to draw green business and jobs.

The facility, corporate headquarters and R&D campus, located on 89 acres in the heart of Silicon Valley, are expected to employ 1,000 workers. Construction of Tesla's Model S vehicle will begin in summer 2009, Tesla CEO Ze'ev Drori said in a statement released Wednesday (Sept. 17). Tesla's current headquarters is in San Carlos, 20 miles north of San Jose.

The new auto factory is expected to achieve gold certification from the U.S. Green Building Council Leadership in Energy and Environmental Design, according to Tesla.

Tesla's Model S is a zero-emission, five-passenger luxury sedan powered by lithium-ion batteries. The vehicle gets about 240 miles per charge. Base price is pegged at about \$60,000.

The first electric cars will likely roll off the assembly line in late 2010. Tesla said production capacity will reach at least 15,000 sedans per year, but the total could increase to 30,000.

San Jose has launched a "Green Initiative," which includes adding 25,000 green tech jobs in the next 15 years.

Tesla to build electric car plant in San Jose

<http://www.sfgate.com/cgi-bin/article.cgi?f=/c/a/2008/09/17/BUF312VVPP.DTL>

San Francisco Chronicle, David R. Baker

Sept. 18, 2008

Print Circulation: 365,234

Web Circulation: 137,597

Luxury electric carmaker Tesla Motors announced Wednesday that it will build a \$250 million factory in San Jose, a major coup for a city working hard to attract both manufacturers and green businesses.

Tesla plans to build its new \$60,000 sedan at the site, which also will house the company's headquarters. The Tesla campus - on Zanker Road, just north of state Highway 237 - will employ 1,000 people.

Tesla's first car - a \$109,000 roadster that hit the market this year - will still be built in England. The company's electric sedans should start rolling off the San Jose production line in late 2010.

San Jose Mayor Chuck Reed spent months wooing Tesla, a San Carlos startup whose executives said in June that they wanted to build their factory in California. The deal they struck with the city gives Tesla an 89-acre parcel that the company can occupy rent-free for 10 years. After that, the rent jumps to \$1.5 million per year.

"The mayor's vision of making San Jose the epicenter, if you will, of the green revolution aligns very well with us," said Ze'ev Drori, Tesla's chief executive officer, adding that the Silicon Valley is a leader in electronics and electrical engineering. "The heart and soul of the electric car is the electric drivetrain, and for that, we need the type of skills available here."

Reed has made landing "green collar" jobs, in fields such as solar power or alternative fuels, one of San Jose's biggest priorities. Like Silicon Valley as a whole, the city has many jobs at the top of the economic spectrum - such as executives and engineers - and many in service industries at the bottom. But it has few manufacturing jobs or others that pay middle-class wages.

"We're weak in the middle," Reed said. "We think there's an opportunity with clean tech to get some of those manufacturing jobs back."

The city has set a goal of adding 25,000 green tech jobs in 15 years. San Jose hasn't landed such a large business facility, of any kind, in years.

"We can safely say it's been a good decade or more," said Paul Krutko, San Jose's chief development officer.

The city estimates that the project will have a regional economic impact of \$2 billion each year, a combination of tax revenue and spending by the people whom the Tesla campus will employ.

Although other companies have explored electric cars for years, Tesla has popularized the notion that such cars could be sexy. Its low and sleek roadster prototype attracted so much attention that would-be customers - including San Francisco Mayor Gavin Newsom and Gov. Arnold Schwarzenegger - started placing orders for the car months before it became available.

Tesla's Model S sedan, which will be built in San Jose, will hold more people and sell for less than the roadster. But it, too, will emphasize luxury. The company has not unveiled its exact design.

The company's executives originally considered building their factory in New Mexico. But in June, Schwarzenegger helped persuade the company to locate in California, offering to finance the purchase of \$100 million worth of manufacturing equipment. The state will lease the equipment to Tesla, which then will have the option to buy the gear, without sales tax, at the end of the lease term.

Reed called the company two days after learning of the governor's incentive package.

"We weren't on their list," he said. "They hadn't even thought about San Jose."

The Tesla deal

Tesla Motors said Wednesday that it will build a \$250 million factory in San Jose to make its new electric car, a luxury sedan.

- The factory is scheduled to open in 2010, and will employ about 1,000 workers once fully operational.
- It will be located near a wastewater treatment plant on Zanker Road at Highway 237.
- The company will pay no rent for the first 10 years and \$1.5 million annually in years 11 through 20. After that, the rent will be adjusted for inflation each year.

Tesla Motors builds cars in Silicon Valley

<http://www.itexaminer.com/tesla-motors-builds-cars-in-silicon-valley.aspx>

ITExaminer.com, John Oram

Sept. 18, 2008

Web Circulation: 20,500

Not far from the Computer History Museum, Tesla Motors confirmed on Wednesday they are building a \$250 million (USD) facility to manufacture a zero-emission luxury sedan in the heart of Silicon Valley.

San Jose California Mayor Chuck Reed said that Tesla will locate the new manufacturing facility for its electric cars on an 89-acre site near the San Jose Water Pollution Control Plant. The proposed assembly line is projected to begin producing electric sedans in late 2010, and will employ about 1,000 people when it is fully operational.

Tesla plans to build what was originally code-named the "WhiteStar" and now known as the Model S, a 4-door, 5-passenger sedan which will be introduced as a 2010 model. The Model S is estimated to get 225 miles on a single charge and to cost around \$60,000 (USD). The Model S will use a variant of their Roadster's all electric powertrain, which is the first vehicle built by Tesla. It's expected to make about 280 hp (SAE) and 280 lb-ft of torque.

Previously it had been announced that Tesla's sedan manufacturing facility was planned for Albuquerque, New Mexico. After a thorough review of the program, Tesla decided that it would be highly advantageous to build manufacturing facilities close to the engineering and research and development functions in Tesla's San Carlos headquarters. Tesla's battery pack, a critical component of its existing Tesla Roadster, is currently manufactured in California. Final assembly of the Tesla Roadster is also in California right now.

Governor Schwarzenegger and the State of California also made it clear that they wanted to keep Tesla manufacturing in California. The California Alternative Energy and Advanced Transportation Financing Authority (CAEATFA), approved a new program that exempts new zero emission vehicle (ZEV) manufacturers from paying sales and use tax on the purchase of manufacturing equipment and will encourage ZEV manufacturing in California. Tesla will also be eligible for at least \$1 million in Employment Training Panel Workforce Development Funds to train employees. Tesla Motors has secured \$100 million in private-equity financing, and the federal government has come forward with \$150 million in loan guarantees.

Tesla Motors has facilities in England, next door to Lotus Cars in Hethel, England, which are responsible for design of the Tesla Roadster. The Tesla Roadster chassis sub-assembly is currently being assembled by Lotus. The Roadster's all electric powertrain and final certification are done at Tesla's San Carlos, CA, Headquarters.

In early July, there were several photos of a Dodge Magnum wagon "mule" which was supposed to have the Tesla Roadster electric drive train. Tesla did not confirm or deny the existence of that vehicle. There were also photos of a new four-door sport sedan design by Lotus of England. Many auto industry experts attribute that vehicle to being the prototype of Tesla's Model S.

The Tesla manufacturing plant announcement comes a day after General Motors unveiled the production version of its extended-range electric vehicle, the Chevrolet Volt, which also is due out in late 2010. The Volt will be in the \$40,000 price range compared to the Tesla's \$60k. The Chevy Volt will have a smaller electric motor, a smaller battery, and a gasoline engine so it will be a PHVC (Plug in Hybrid Vehicle) as we discussed in our June articles.

Tesla confirms new saloon and California factory

http://www.evo.co.uk/news/evonews/228294/tesla_update.html

Evo, Masimba Sagwete

Sept. 18, 2008

Web Circulation: 2,473



Tesla Motors is set to move into the mainstream with its new Model S, an all-electric, five-seat luxury saloon. It'll be the second car in its zero-emission line-up and priced at c£33,000, apparently, severely undercutting the Roadster.

It is set to offer a similar 240-mile range to the Roadster from its Lithium-ion battery pack, with minimal compromise to performance. Final design and prototyping are scheduled to be carried out by the end of 2008 and Tesla hopes to add more people to their Roadster waiting lists. 1200 have already put down money for one of the £92k drop-tops.

The company has secured £140m in capital to invest in a new 89-acre site for a new assembly plant to build the Model S. The site will also be Tesla's new corporate headquarters with a new R&D facility creating 1000 jobs.

Construction should begin in summer 2009 in San Jose, California, 20 miles up the road from Tesla's current site.

Tesla Picks Silicon Valley For Electric-Car Plant

<http://www.informationweek.com/news/management/smb/showArticle.jhtml?articleID=210602312>

InformationWeek, Antone Gonsalves

Sept. 17, 2008

Print Circulation: 1,121
Web Circulation: 4,230

Tesla Motors on Wednesday announced that it has chosen San Jose, Calif., as the location for the electric-car company's new campus, which will include the company's headquarters and manufacturing and research and development facilities.

Construction of the \$250 million, 89-acre campus is scheduled to begin in the summer of next year. The company expects to eventually employ about 1,000 people at the location, where the first vehicles are set to roll off the assembly line in late 2010.

The announcement by Tesla president and chief executive Ze'ev Drori brought immediate praise from politicians, including California Gov. Arnold Schwarzenegger.

"California's ground-breaking leadership on climate change is creating a market for clean technology that will not only change the world, but continue to help bring innovative companies and jobs to our state," Schwarzenegger said in a statement.

The Tesla Roadster ships with a charging station kit that can be installed in a home garage by an electrician. There is an optional mobile charging kit that allows charging from any electrical outlet.

Tesla chose San Jose because it's in the Silicon Valley region, where there's a high concentration of highly skilled engineers, major tech companies, research institutions and other support infrastructure, Drori said. In addition, San Jose offers location incentives for companies working on technology to protect the environment.

"Big deals like this happen when both parties have something significant to gain," Drori said in a statement. "Locating Tesla's headquarters, manufacturing, and R&D in San Jose will allow us to proceed with minimum disruptions and virtually no dislocations to employees."

Tesla said this year that it would locate its corporate headquarters and manufacturing plant for the Model S, an all-electric, zero-emission, five-passenger luxury sedan, in California, which is a major market for electric and hybrid vehicles. San Jose is 20 miles from Tesla's current headquarters in San Carlos, Calif.

An analysis conducted by San Jose's Office of Economic Development estimates that Tesla's first-phase manufacturing facility would initially create about 500 jobs. The second phase R&D site and headquarters relocation is "conservatively" estimated to bring an additional 525 jobs by 2012, the city said. Construction of the new campus is projected to create 700 construction jobs.

Tesla Motors To Make Electric Sedan in Silicon Valley
http://www.cio-today.com/news/Tesla-To-Make-Sedan-in-Silicon-Valley/story.xhtml?story_id=10100CFRB946
CIO Today, Steve Bosak
Sept. 17, 2008

Print Circulation: 7,142
Web Circulation: 7,333

Also ran in:

News Factory
http://www.newsfactory.com/news/Tesla-To-Make-Sedan-in-Silicon-Valley/story.xhtml?story_id=10100BGOIV11

Web Circulation: 6,088

Sci-Tech Today

http://www.sci-tech-today.com/?full_skip=1&/story.xhtml?story_id=101005NVXAP2

Web Circulation: 11,192

Tesla Motors will build the all-electric Model S, a luxury five-passenger electric sedan, in San Jose, Calif. Known for its \$109,000-plus Roadster, Tesla says the sedan will have the same 244-mile range per charge but slower acceleration. The sedan will sell in the \$60,000 range. General Motors also unveiled its electric Chevy Volt.

Green jobs seekers might consider a move to northern California. Tesla Motors announced Tuesday that it will open a manufacturing facility in San Jose to produce its latest all-electric automobile -- a luxury five-passenger sedan.

The plant is expected to employ more than 1,000 when it is at full production capacity.

Meanwhile, General Motors publicly unveiled its Chevrolet Volt electric car in Detroit, also on Tuesday.

The Tesla Model S

Tesla already produces the world's first truly powerful electric car -- the company says its Roadster gets 244 miles per charge and has a top speed of 125 mph. But the Roadster costs more than \$109,000.

Now the company wants to take its technology to the masses with a Model S sedan that will reportedly retail for around \$60,000. That price puts it in the BMW, Mercedes and high-end Lexus category. The sedan will reportedly have the same range and acceleration of 60 mph in six seconds versus the Roadster's 3.9 seconds.

The first San Jose-produced cars should roll off the line in 2010, according to Ze'ev Drori, Tesla's president and CEO. The company is targeting initial yearly production at 15,000, with nearly half exported overseas. The company has hinted at future Tesla SUVs, crossovers and hatchbacks built on the same chassis as the Model S.

Local governments the world over sought the Tesla facility. San Jose won with a multimillion-dollar package in cooperation with the state of California. Part of the deal includes rent-free use of a 90-acre stretch in the city for 10 years of its 40-year lease and the waiver of state taxes on more than \$100 million of product.

California may have stepped up to the plate, in part, to insure the Santa Clara, Calif.-based Tesla stayed close to its roots. New Mexico was reportedly close to a deal with the company as late as June. And Tesla has attracted investments from Silicon Valley, including Jeff Skoll, president of eBay; the cofounders of Google; and Bay-area investment firms.

Tesla hasn't been without problems, however. Initial shipments of the Roadster experienced transmission problems and delayed full production. Some analysts believe the car is still far behind production schedules, and there is a waiting list of more than one year for the car despite its price. The company has also had to resolve some legal battles.

GM Unveils Volt

As part of the company's 100-year birthday celebration in Detroit on Tuesday, General Motors took the wraps off the production version of its Chevy Volt, an electric automobile that uses gas or flex fuel to help recharge its battery. Like the Tesla Model S, the Volt is expected to ship in 2010. Unlike the Model S, the Volt is targeted to cost much less -- around \$30,000, according to GM.

The four-seat sedan gets only 40 miles per charge, so it must use an internal gas-powered generator to recharge its battery over longer trips. GM maintains the Volt will charge overnight for "less than the price of a latte," and that nearly 75 percent of all Americans drive less than 40 miles per day.

GM has hinted it will use the technology in the Volt to design and produce additional models across its entire line, from Chevy to Cadillac.

Tesla Motors to site its manufacturing plant in San Jose

<http://venturebeat.com/2008/09/17/tesla-motors-to-site-its-manufacturing-plant-in-san-jose/>

Chris Morrison
Sept. 17th, 2008

Web Circulation: 6,555

Also ran in:

The Industry Standard

<http://www.theindustrystandard.com/news/2008/09/17/tesla-motors-site-its-manufacturing-plant-san-jose>

Web Circulation: 2,509

Tesla Motors, the heavily-funded electric car company that produces the high-end Roadster sports car, has settled on a location in San Jose, Calif. for its manufacturing plant to make a more market-oriented car model.



The site of the new factory has been uncertain, while Tesla let various states and cities go through a bidding process of offering financial incentives. After deciding to site in the United States, the company in mid-summer allowed California governor Arnold Schwarzenegger to woo it away from Nevada.

But those expecting immediate electric car gratification may be doomed to a long wait. Construction on the plant won't begin until the middle of next year. The very first Model S, the company's \$60,000 sedan, will roll off the line in late 2010 — at least according to the company's estimates. In reality, even long-term projects like this often face little setbacks and delays.

Eventually, Tesla hopes to manufacture 15,000 to 30,000 cars each year at the factory, which will employ 1,000. For San Jose, this is a major win, bringing both prestige and a new group of

skilled, well-paid workers. Conveniently, it will also be only a short jaunt from Tesla's San Carlos headquarters (a map showing the specific location in San Jose is below).

Incidentally, this isn't the only 1,000 worker electric car factory being planned. Also in the works is a plant in Kentucky to build cars for Zap. The \$100 million facility is slated for completion in a year's time to make the Alias, a concept car design by the company. Yet Zap has been accused of seriously inflating its claims in the past. For the moment, the Tesla news remains more noteworthy.

However, it should be noted that Tesla is planning a \$250 million initial public offering on the stock markets. That capital is intended to go toward the San Jose plant and the Model S, so if the markets don't become healthy enough to allow Tesla to hit the public markets next year, the company could have problems hitting deadlines. But if that turns out to be the case, we'll all have bigger problems than a scuttled car plant.



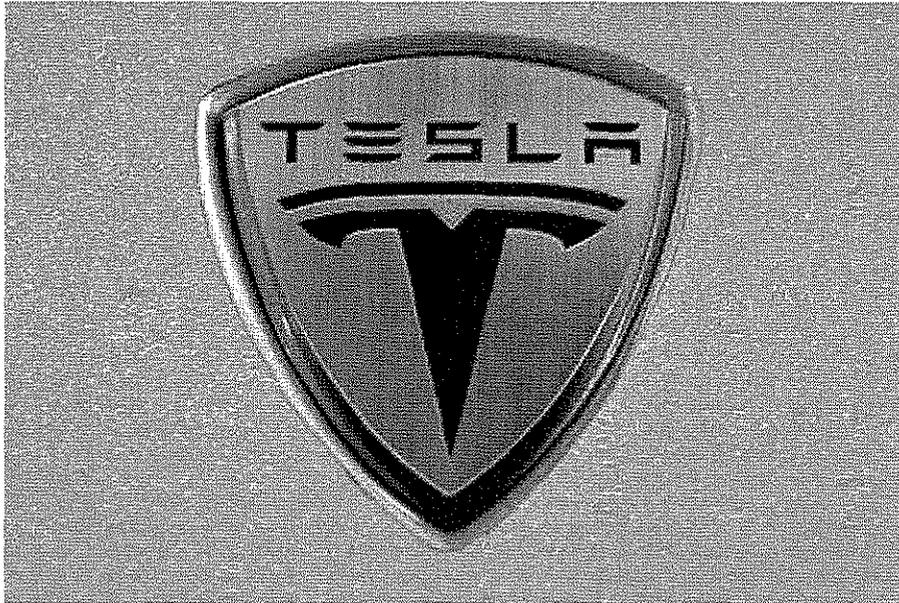
Tesla to build California factory for Model S sedan production

Autoblog, Chris Shunk

Sept 17th 2008

<http://www.autoblog.com/2008/09/17/tesla-to-build-california-factory-for-model-s-sedan-production/>

Web Circulation: 45,053



The 2011 Chevy Volt has been getting the lion's share of news on the EV front, but it could be jostling for attention in late 2010 with an all-EV sedan from Tesla. Tesla has secured \$100 million in private equity and another \$150 million in loan guarantees from the federal government to build a new factory in San Jose, CA. The company on Wednesday announced that the facility would build the \$60,000 Model S sedan, which was originally dubbed Whitestar. The new Tesla plant will be able to produce 11,000 Model S sedans per year by the end of 2011, giving customers a much more mainstream EV entry than the \$100,000 Tesla Roadster.

We haven't heard too much about the Model S sedan, but earlier in the year Tesla co-founder Elon Musk said there could be a fully functioning prototype and a finalized design by the end of 2008. We're with you in hoping it looks as good as the Tesla Roadster while providing similar range in a more family-friendly package.

San Jose Wins Bid For Tesla Electric Car Facility

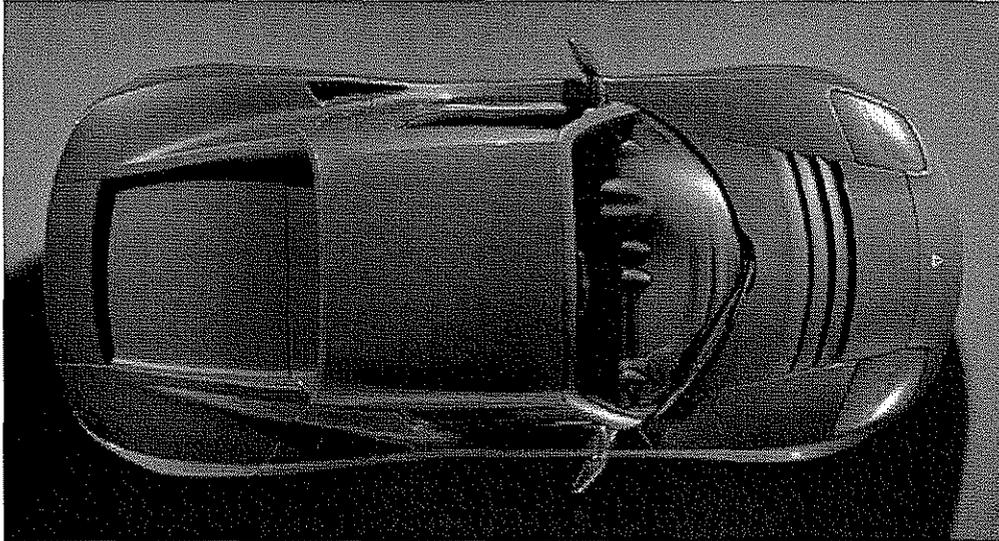
<http://gas2.org/2008/09/17/san-jose-wins-bid-for-tesla-electric-car-facility/>

Gas 2.0, Nick Chambers

Sept. 17th, 2008

Web Circulation: 4,505

In a major coup for the city of San Jose, CA, Tesla Motors — of Roadster fame — has chosen a 90-acre lot in an industrial area of the city as the site of its new manufacturing facility and headquarters.



Back in June, the Governor himself was lamenting about the prospect that Tesla Motors — one of the state's own shining green corporate stars — might pass up California in favor of New Mexico as the location for its future facilities.

But, after some serious wheeling and dealing, Schwarzenegger convinced Tesla that California was the right place to build by promising beucoup tax incentives and major financial help. His package included a government-funded lease-to-own option that would save Tesla from purchasing \$100 million of equipment up front, and waive \$8 million in taxes to boot.

Above and beyond the state's financial incentives, the deal with San Jose involves a 40-year lease in which Tesla has the first 10 years rent-free and all development fees rebated in the form of tax credits. Gotta hand it to Tesla, they certainly know how to work the system.

In anticipation of dramatic future growth after the upcoming introduction of their next EV — a more affordable (\$60K) 4-door sedan dubbed the Model S — the new facility is clearly key to Tesla's business plan.

Reportedly, the Model S will be followed further down the road by cars that are truly affordable to the vast majority of Americans. According to an AP release, Tesla CEO Ze'ev Drori said that the future of Tesla involved servicing the entire car market and not being relegated to a niche

Although this is good news for the rest of us, and I understand Tesla's business model, I still hate the idea of having to wait so long when other start-up companies are providing electric cars to the masses right off the bat instead of only to the rich upper crust.

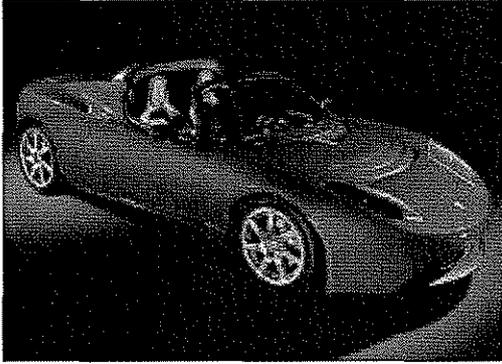
Electric Car Factory Finds Home In Silicon Valley

<http://www.redorbit.com/news/technology/1558722/electric-car-factory-finds-home-in-silicon-valley/>

RedOrbit

Sept. 17, 2008

Web Circulation: 57,815



California electric sports car-maker Tesla Motors said ahead of a Wednesday announcement it is building a \$250 million Silicon Valley plant to produce sedans that will roll onto U.S. highways in late 2010.

The company plans to produce an all-electric luxury sedan, called the Model S, at the plant with a retail price of around \$60,000.

The two-seater Tesla Roadster has solid environmental credentials in the state that often sets national trends on clean air and energy.

The northern California town known for technology would be home to the factory and was rushing headlong toward so-called clean tech, according to San Jose Mayor Chuck Reed.

He said shifting from petroleum to electric vehicles would make a huge change to how the world moves.

"We are excited to be part of that happening. We've still got lots of other tech here, but the solar companies are growing," he said.

In a separate interview, Tesla Chief Executive Ze'ev Drori, said he expects manufacturing of the five-passenger, \$60,000 Model S sedan to hit a rate of over 15,000 a year by the last quarter of 2011. Tesla will build the factory on its own.

Drori said they have enough money, adding that Tesla is a couple of months away from closing up to \$100 million in private equity financing, and that the U.S. Department of Energy has approved \$150 million in loan guarantees. The state of California also has offered significant tax breaks.

San Jose along with the State of California devised an incentive program estimated at around \$150m (£84m) to persuade Tesla to site its new plant in the city.

San Jose put land into the deal, while California came up with a hefty \$100m financing package.

The first 10 years of the 40-year lease on the 90-acre plot will be rent-free. After that a yearly lease payment of \$1.5m will be paid over the next ten years with a 2% increase year on year for the last 20.

Mayor Reed said he believed this part of the package was worth around \$50m (£28m) but stressed the land was not being used anyway.

"A lot of investment decisions are based on faith in the future and confidence in the future and this 250 million dollar project is a real stamp for us and a vote of confidence in San Jose."

Zero-emission vehicles are in the works from other carmakers as well, and major manufacturers including General Motors Corp and Toyota Motor Corp are racing to make plug-in hybrids that can drive on battery power and then switch to gasoline when they need power.

"I am sure there will be competition," said Drori. "We hope there will be competition. Competition will accelerate demand."

Tesla Motors to build plant in California

http://www.upi.com/Business_News/2008/09/17/Telsa_Motors_to_build_plant_in_California/UPI-97411221689126/

United Press International

Sept. 17, 2008

Web Circulation: 60,000

Also ran in:

Times of the Internet

<http://www.timesoftheinternet.com/4324.html>

Web Circulation: 3,081

Hispanic Business

http://www.hispanicbusiness.com/auto/industry/2008/9/17/telsa_motors_to_build_plant_in.htm

Web Circulation: 2,500

Post-Chron

http://www.postchronicle.com/news/business/article_212172935.shtml

Web Circulation: 38,011

All Headline News

<http://www.allheadlinenews.com/articles/7012335411>

Web Circulation: 11,146

Automotive-Business-Review

http://www.automotive-business-review.com/article_news.asp?guid=A07036A0-2990-4799-885B-55CA457A09F0

Web Circulation: 15,500

Gant Daily

<http://www.gantdaily.com/news/35/ARTICLE/31142/2008-09-17.html>

Web Impressions: 4,833

The Money Times

http://www.themoneytimes.com/news/20080917/telsa_motors_to_build_plant_in_california-id-1036114.html

Web Circulation: 10,505

Official Wire

http://www.officialwire.com/main.php?action=posted_news&rid=75025&catid=24

Web Circulation: 5,450

News OXY

<http://newsoxy.com/technology/tesla/article11171.html>

Web Circulation: 4,500

Green-tech car company Tesla Motors Inc. said Wednesday it would construct a \$250 million plant in San Jose, Calif., to build zero-emission luxury sedans.

Construction on the site would begin in summer of 2009, with the finished facility eventually adding 1,000 jobs to the area, a company statement said.

In addition, Tesla plans to move its headquarters and research teams from San Carlos, Calif., to the 89-acre property. It chose the San Jose site in part "to allow us to proceed with minimum disruptions and virtually no dislocations," said Tesla President and Chief Executive Officer Ze'ev Drori in a statement.

Tesla said it had no plans to move production of its all-electric, two-seat Roadster to the U.S. Currently, it is produced in Hethel, England.

The San Jose plant will produce the Model S, a five-passenger luxury sedan powered by a lithium-ion battery pack.

The car is projected to run about 240 miles with one charge and sell for about \$60,000.

Tesla expects the first models to be ready for the market in late 2010.

Tesla Motors to build new HQ, factory in San Jose

<http://www.engadget.com/2008/09/17/tesla-motors-to-build-new-hq-factory-in-san-jose/>

Engadget, Darren Murph
Sept. 17, 2008

Web Circulation: 46,090

It's no surprise to see Tesla Motors giving even more attention to California -- after all, Los Angeles is home to its very first dealership -- and as soon as the requisite approvals go through, San Jose will become the site of its new headquarters and factory. Both facilities will be located on around 90 acres of land near Highway 237 in North San Jose, and early reports peg the city giving Tesla a 40-year lease with the first decade being "rent-free." The Golden State is also stepping in to provide a sweet tax-free rent-to-buy deal on the factory equipment, and in the end, the two projects could generate around 1,000 direct or indirect jobs. One question, Tesla: how's the employee discount?

Electric Cars Gain Momentum

<http://www.portfolio.com/views/blogs/daily-brief/2008/09/17/electric-cars-gain-momentum>

Conde Nast Portfolio, Andrea Chalupa
Sept. 17, 2008

Web Circulation: 25,688

The 1960s produced a race to the Moon. Could this decade mark the start of a race for the best gas mileage?

There's been ample evidence over the last few days. And it all points to 2010 as a landmark year for the electric car.

General Motors celebrated its 100th anniversary yesterday by unveiling a production-ready version of its Chevrolet Volt. It can travel 40 miles on a four-hour recharge, and will come with an onboard generator for longer trips. Chevy will begin production in 2010.

Nissan will be coming out with its own electric car that same year, just as Tesla Motors will introduce a sedan that it says will be able to travel 240 miles on a single charge.

(Tesla announced this week that it is building a 600,000 square-foot plant in San Jose.)

Not to be outdone, market leader Toyota is reported to be planning a third generation of its bestselling Prius.

The flurry of activity reinforces buzz that electric cars will be where the fight for market share will be fought. General Motors has been the world's largest automaker for 77 years, but skyrocketing gas prices have killed sales of pickup trucks and S.U.V.'s, driving the company to seek "greener" pastures.

Part of that motivation is to take on Toyota's dominance of the fuel efficiency market. Toyota has sold more than one million Priuses since 1997; dealers still report long waiting lists.

And Toyota is said to be thinking of spinning off Prius as a separate brand, so consumers can have more diversity in their hybrids.

The competition is already heating up between the two biggest automakers.

Just yesterday, Toyota complained that a Senate proposal to offer \$3,000 to \$7,500 tax credits to people who buy plug-in cars was designed to favor the Chevy Volt. (Hybrids like the Prius wouldn't qualify for the credit, putting them at a cost disadvantage in the market.)

Tesla Motors Factory To Fuel Electric Startup's Ambitious Expansion

<http://www.edmunds.com/insideline/do/News/articleId=131978>

Sept. 17, 2008

Edmunds, Anita Lienert

Web Circulation: 167,645

Detroit's automakers may be shuttering factories in the wake of a dramatic downturn in auto sales, but Tesla Motors is in a buoyant expansion mode. The electric-car startup plans a \$250 million Silicon Valley plant and headquarters here in advance of a second model line that is due out in late 2010.

Tesla Motors was expected to make an official announcement about the new plant sometime on Wednesday.

Tesla Motors intends to roll the first \$60,000 Model S, a five-passenger sedan, off the San Jose assembly line during the fourth quarter of 2010. Tesla CEO Ze'ev Drori told the Associated Press that the automaker expects to build 15,000 units of the Model S during the first year of production. The Model S is noteworthy because it is \$49,000 cheaper than the two-seat Tesla Roadster, which has been described by some as little more than a toy for the rich.

The Wall Street Journal reported that Tesla is lining up financing for the plant, including a loan guaranteed by the U.S. Department of Energy and a new private capital round led by Goldman Sachs Group. Tesla may also benefit if the U.S. government agrees to provide automakers with loans to finance production of high-mileage and advanced-technology cars.

What this means to you: An affordable vehicle from Tesla Motors inches ever closer to your driveway. —

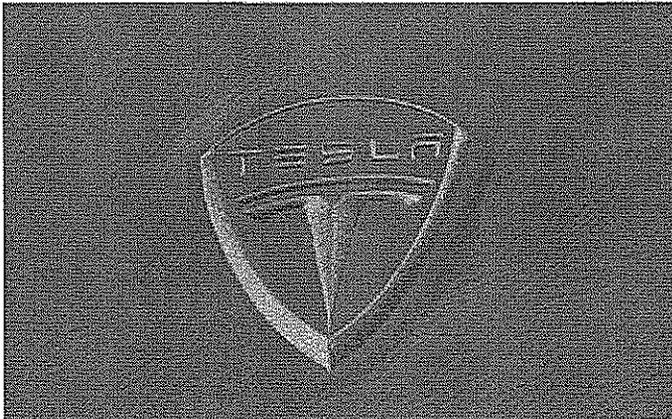
Tesla to build Model S in San Jose

<http://www.autoweek.com/apps/pbcs.dll/article?AID=/20080917/FREE/809179993/1065>

AutoWeek, Greg Migliore
Sept. 17, 2008

Print Circulation: 37,074

Web Circulation: 5,550



California electric-car maker Tesla Motors is expected to announce on Wednesday plans for a new factory in San Jose to build the Model S in late 2010.

A city official told Reuters about the \$250 million project. Production is expected to be at least 15,000 annually. Tesla previously said in June that it plans to make the Model S in California.

The five-passenger sedan will carry a sticker of \$60,000 and expects to have a range of 220 miles on a single charge.

The Model S was previously known as the WhiteStar. It follows the Tesla Roadster, using a variant of that car's powertrain. It's expected to make about 280 hp and 280 lb-ft of torque.

Earlier this summer, Tesla told AutoWeek that the factory would employ about 400 people, and that it was choosing from two sites in California's Bay Area.

The state offered the company a number of incentives after Tesla flirted with building the factory in New Mexico—a move that electric-car fan Gov. Arnold Schwarzenegger said drove him "absolutely insane."

Additionally, Tesla has floated \$100 million in private-equity financing, and the federal government has chipped in with \$150 million in loan guarantees.

The announcement comes a day after General Motors unveiled the production version of its extended-range electric vehicle, the Chevrolet Volt, which also is due out in late 2010.

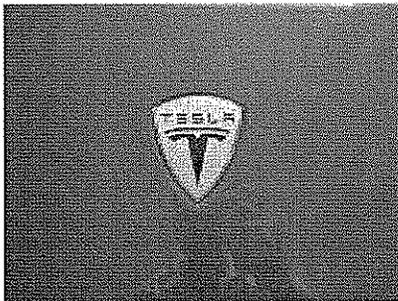
San Jose Is Tesla's New Home

http://www.efluxmedia.com/news/San_Jose_Is_Teslas_New_Home_24530.html

eFluxMedia, Michael Todd

Sept. 17th 2008

Web Circulation: 2,846



San Jose managed to strike a deal with electric car maker Tesla, which is going to build its new factory in the area, creating more than 1,000 new jobs for the city's population. The total amount of money involved in the partnership is \$250 million and in order to win such a contract, the city's officials had to convince Tesla's representatives that they are better than all the other contenders.

"This is a big step toward being the centre of world cleantech innovation," said San Jose Mayor Chuck Reed. "This is the next step in transportation. Shifting from petroleum to electric vehicles will make a huge change to how the world moves and we are excited to be part of that happening," he added.

The new factory will produce a new all-electric luxury sedan, named Model S, which will retail for \$60,000. What makes this car special is its capacity to travel close to 240 miles (390 km) on a single battery charge. Tesla's boss Ze'ev Drori, who is also the co-founder of PayPal, stated that the time has come for the electric car, as the high gas prices have accelerated the demand for such a vehicle, which will put an end to the dependency on foreign oil.

Mr. Drori explained that his initial plan was to keep the manufacturing process in California, which is the place where the company has been based since its debut in 2003.

Even though California forwarded a \$100 million financing package, San Jose's offer included the land for the factory, making it impossible to pass on. The 90-acre plot has been leased for a period of 40 years, with the first 10 free of charge. Mayor Reed explained that if they decided to demand the costs for the land, it would have brought an additional gain of about \$50 million, but this was the only way that they could have been certain of the negotiation's success and as an additional explanation, the land was not used anyway.

The city's officials hope that the partnership will be regarded as a vote of confidence in San Jose and over the years it will lead to many more investments from many other companies. The city is looking to attract all sorts of new businesses, offering locations, its expertise for certain tests and studies that must be made before the actual build and also the much needed man-power.

The car maker's officials expressed their hopes that the first cars will be available by 2010, with an initial production plan of 15,000 vehicles, half of which will be sent to the European market.

Some believe that its rather steep price tag will disarm the general public, which has an alternative with GM's new Volt that sells for \$35,000. It is very likely to come across various new such offers over the next few years as the gas prices keep rising and people become more and more aware of the global environmental issues.

Tesla's activities are backed up by many, including Jeff Skoll, eBay Inc.'s former president and the co-founders of Google Inc.

Earlier this month, Tesla Motors has selected BorgWarner Inc. for the production of a single-speed gearbox for the Tesla Roadster and is initiating a ramped-up production rate. So far, 27 customers have taken delivery of Roadsters.

Tesla engineers developed the specifications for the new gearbox and provided them to BorgWarner. The new gearbox is an integral part of an enhanced powertrain with significant performance and efficiency improvements. The new powertrain delivers about 30% higher motor torque on a single gear ratio, and it achieves a 10% higher EPA combined range.

Tesla Motors starts production of 10 new Roadsters each week. Customers typically take delivery four to six weeks after production begins. The company expects production starts to ramp up to at least 20 vehicles per week within a few months and 40 per week by early 2009.

Electric car's march into the mainstream gathers pace

GM debuts plug in hybrid Volt, as Tesla outlines plans for new factory

<http://www.businessgreen.com/business-green/news/2226294/electric-car-march-mainstream>

BusinessGreen ,James Murray

Sept. 17, 2008

Web Circulation: 9,500

The emergence of hybrid and electric cars as a mainstream alternative to conventional vehicles moved a step closer yesterday, as General Motors (GM) debuted its long anticipated plug in hybrid, the Chevy Volt, and Tesla Motors released further details of its expansion plans.

The first production version of the Volt was unveiled at an event to celebrate GM's 100th anniversary and was hailed by the company as an indication of its new found commitment to low carbon vehicles.

"The Volt symbolises GM's commitment to the future," said chief executive Rick Wagoner. "The kind of technological innovation that our industry needs to respond to today and tomorrow's energy and environmental challenges."

The small four seater plug-in hybrid is designed to run for about 40 miles on a lithium-ion battery before switching over to a conventional internal combustion engine.

GM product chief Bob Lutz said that the first models should reach showrooms by November 2010, with the company aiming to deliver 10,000 cars in the first year.

He refused to be drawn on the price tag for the new car, but said that it would be well below the \$50,000 estimate put forward by some observers.

The company is now in a race with arch-rival Toyota to be the first major manufacturer to deliver a plug in hybrid to market. Toyota last week debuted its first plug-in hybrid version of the Prius on UK roads as part of a programme to test the technology.

Meanwhile, US electric car start up Tesla Motors yesterday detailed plans for a new \$250m manufacturing facility designed to produce its next generation four door Model S electric sedan.

The company, which produces the Roadster electric sports car, had been looking for a new manufacturing location in the Bay Area since it was announced earlier this summer that a series of tax breaks offered by the Californian state government had encouraged it to abandon plans to move its headquarters to New Mexico.

The company said yesterday that it was to build a new 600,000 square foot plant on 90 acres of undeveloped land in San Jose. The new factory is expected to be operational by late 2010 and will produce 20,000 all-electric sedans a year, creating 400 new jobs at the company in the process.

Tesla to Make Model S in San Jose

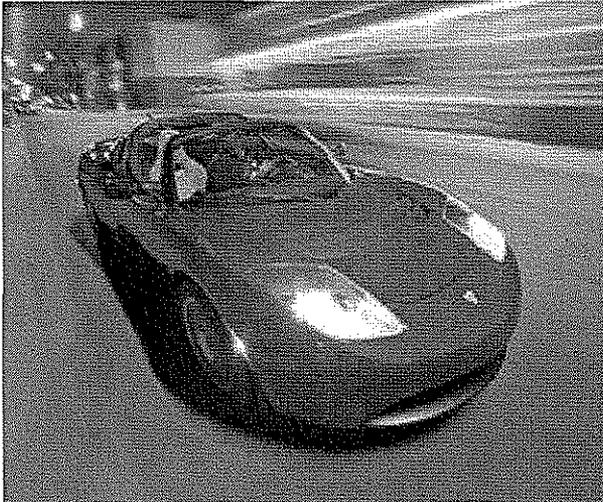
The electric car startup is lining up \$250 million to build a new assembly plant and headquarters in Silicon Valley.

<http://www.greentechmedia.com/articles/tesla-to-make-model-s-in-san-jose-1423.html>

Greentech Media, Uccilia Wang

Sept. 17, 2008

Web Circulation: 5,000



Tesla Motors will build a \$250 million factory to build its electric sedan, the Model S, in San Jose, Calif., the company said Wednesday.

The startup also plans to relocate its headquarters and its more than 250 employees to San Jose from its current home base less than 20 miles north in San Carlos.

Tesla said in June that it would build a factory to make the Model S in California, but hadn't settled on a specific location. Gov. Arnold Schwarzenegger joined Tesla executives at the time to announce about \$10 million worth of tax and other incentives to keep the company in the state. (see Tesla: We Will Build Electric Sedans in California and Green Light post).

Tesla had previously considered building the factory in New Mexico.

Tesla CEO Ze'ev Drori told the Wall Street Journal on Wednesday that he is lining up the financing for the new assembly plant by securing a round of private capital, led by Goldman Sachs Group Inc., and a loan guarantee from the U.S. Department of Energy.

In February, after closing a \$40 million bridge loan, Tesla said it hopes to raise a fifth equity round of roughly \$75 million to \$100 million in the "late summer" and target an IPO early next year if market conditions improve (see Tesla to Big Three: Let's Be Friends).

The company plans to break ground on the new factory on 89 acres next summer and to roll out the Model S in late 2010.

The Model S, priced at \$60,000, is the company's bid to broaden its appeal to consumers. The five-passenger car will rely on a lithium-ion battery pack for power and is expected to travel about 240 miles per charge, the company said.

Founded in 2004, Tesla began delivering its first-ever model, the \$100,000 Roadster, to customers earlier this year. The company is now making 10 Roadsters per week, up from four per week earlier this summer. It has delivered about 30 Roadsters so far.

Tesla plans to continue to build the two-seat Roadster at a Group Lotus PLC factory in Hethel, the United Kingdom.

The company plans to launch a \$30,000 model for the mass market within four years.

The company recently hired a former Chrysler veteran, Mike Donoughe, to help it beef up its manufacturing, which has suffered delays in the past. Donoughe is in charge of the Model S and Roadster programs.

The company also recently hired Deepak Ahuja as its chief financial officer and Franz von Holzhausen as its chief designer, who is working on Model S (see Tesla Hires Chrysler Vet and Tesla Hires Two More Auto Execs).

Tesla intends to seek gold certification from the U.S. Green Building Council Leadership in Energy and Environmental Design for its new assembly plant.

Electric Car Maker Setting Up Shop in San Jose

http://www.globest.com/news/1246_1246/sanfrancisco/173861-1.html

Globest.com, Brian K. Miller

Sept. 17, 2008

Web Circulation: 4,500



Electric car maker Tesla Motors will lease 89 acres of city-owned land here for a new headquarters, R&D and manufacturing campus. The property sits adjacent to a water-treatment plant near Zanker Road and Highway 237 in North San Jose. The land is owned by the cities of San Jose and Santa Clara, which are expected to facilitate the permitting process. A long-term lease and development agreement is under negotiation, with construction expected to begin next summer.

Tesla executives say they chose San Jose because the company was born in the Silicon Valley and its current headquarters is just 20 miles away, which means its engineers and executives reside in the general area as well as the rest of the company's 250 employees. In addition, it's where the skilled high-tech work force is generally located, and California is where it expects to find the most buyers early on. The company's first two showrooms are in Menlo Park in Northern California and Santa Monica in Southern California.

"Big deals like this happen when both parties have something significant to gain," said Tesla president and CEO Ze'ev Drori at a Tuesday morning press conference. "Locating Tesla's headquarters, manufacturing and R&D in San Jose will allow us to proceed with minimum disruptions and virtually no dislocations." The cities are working on a 40-year lease agreement that includes no rent for the first 10 years. Tesla would pay \$1.5 million a year for the property for the next 10 years, and then for the final 20 years its rent would increase at a rate of 2% per annum. To build the campus, Tesla will use a \$150-million loan guarantee from the US Dept. of Energy and a \$150-million private capital round led by Goldman Sachs. In addition, the state of California will essentially waive the sales tax on \$100 million worth of equipment for Tesla. In return, Tesla will construct the campus with LEED-Gold certification as its goal.

Construction of the campus is expected to generate 600 jobs and \$40 million in wages. Permanent jobs at the campus would total 1,000 and have an annual payroll in excess of \$100 million.

The workers will be focused on Model S, Tesla's zero-emission, five-passenger luxury sedan powered by a lithium-ion battery pack. It is expected to have a base price of about \$60,000 and get about 240 miles per charge. The first sedans will likely roll off the assembly line in late 2010. Initially Tesla plans to produce 15,000 vehicles a year and eventually ramp up to 30,000.

Tesla's first production vehicle is the Roadster, a zero-emission, all-electric, two-seat sports car. On sale now in the United States and Europe for more than \$100,000, the Roadster is assembled, and will continue to be assembled—at a Group Lotus PLC factory in Hethel, UK. Tesla has delivered about 30 Roadsters so far, and is ramping up production to meet demand. More than 1,200 people have reportedly put down deposits.

As part of its expansion Tesla has been adding experience. Mike Donoughe, who spent 24 years at Chrysler, is now the Tesla EVP overseeing both the Model S and Roadster programs. Deepak Ahuja, formerly a controller at Ford, is now Tesla's CFO. Franz von Holzhausen, former director of design for Mazda North America, is designing the Model S.

Tesla Motors Plans New Factory

<http://online.wsj.com/article/SB122157636340443277.html>

Financing for Expansion

Wall Street Journal, Joseph B. White

Sept. 17, 2008

Print Circulation: 2,069,463

Web Circulation: 2,461

Also ran in:

Tehran Times

http://www.tehrantimes.com/index_View.asp?code=178195

Web Circulation: 30,000

Tesla Motors Inc., the Silicon Valley electric-car maker, plans to build a new production facility and headquarters offices in San Jose, Calif., as it prepares to launch a second model line in late 2010, Ze'ev Drori, the company's chief executive officer, told The Wall Street Journal.

Tesla is lining up about \$250 million in new financing, including a loan guaranteed by the Department of Energy and a new private capital round led by Goldman Sachs Group Inc., Mr. Drori said. That funding, once final, "will be sufficient," he said, to finance Tesla's planned expansion.

Tesla plans to move about 250 current employees to the new San Jose location, and hire more people during the next two years before the factory opens. The factory will employ about 400 to 500 people, the company says.

Tesla's move to an 89-acre campus in San Jose represents a significant step for a company that has generated considerable excitement, especially among Silicon Valley's affluent and environmentally conscious technology community, but has yet to build a substantial number of its all-electric cars.

Tesla is currently producing about 10 of its Tesla Roadsters a week, Mr. Drori said. The Roadsters have a base price of \$109,000, and store power from the grid in an array of lithium-ion batteries similar to those used in laptop computers. Tesla's planned second model line is called the Model S, and will be a five-passenger sedan with a target base price of \$60,000, the company has said. That would put it in a price band similar to a well-equipped BMW 5-Series.

Mr. Drori said Tesla plans to launch the Model S at a production volume of 15,000 vehicles a year, and ramp up to 30,000 vehicles a year -- roughly comparable to German sports-car maker Porsche AG's annual U.S. sales. Mr. Drori expressed confidence in Tesla's plans for the 2010 launch despite the recent jolts to the economy and Wall Street.

Mr. Drori said Tesla is watching a proposal backed by Detroit's auto makers to provide \$25 billion in government-backed loans to finance production of high-mileage and advanced-technology cars. So far, he said, it appears the proposals in Congress are slanted toward the traditional car makers. But if Tesla was eligible, it would participate, he said.

Building A Green Dream Car

http://www.forbes.com/technology/2008/09/17/tesla-electric-car-tech-sciences-cz_cf_0917tesla.html

Forbes, Charlie Foster

Sept. 17, 2008

Print Circulation: 31,048

Web Circulation: 231,569

The specs for Tesla Motor's new car are in: an all-electric, four-door, five-seat sedan that gets in excess of 240 miles per charge and accelerates from 0 to 60 mph in under six seconds.

It will be built in what the company is calling the "greenest auto manufacturing plant in the world" on the outskirts of San Jose, Calif., the self-proclaimed world headquarters of clean technology. In other words, the car of the future is on its way here.

Eventually.

Tesla hasn't yet built a working model of the Model S. What it has so far is a "mule"—automotive parlance for a testable engine mounted on a run of the mill sedan chassis. And its state-of-the-art Silicon Valley factory is still an undeveloped 89-acre plot of land between a power plant and a sewage treatment facility.

All of which is nothing to hold against a new company like Tesla. Except that for the past two years the automaker has had the problem of being so new that its product isn't even here yet.

(For a different approach to getting around with no fuel, see "Tech Tips For Cutting Your Gas Bill.")

"Incrementalism was not an option," said Tesla's former CEO Martin Eberhard in 2006, when talking to Forbes about the company's strategy to bring 100% battery-powered, highway capable cars to the market. And yet the car maker, which had planned to roar (or, really, hum) into the auto world with its \$100,000 Roadster, has been hobbled by a yearlong delay in its production schedule, a turnover of top-level management, and step-by-step tinkering on the sports car's transmission.

For the 1,200 customers who have placed a deposit of at least \$50,000 to get the Roadster and for venture capitalists who have invested over \$145 million in the company, Tesla's activity over the past year must have felt, well, incremental.

Tesla finally delivered the first 27 roadsters to customers in August and boldly says it is gradually ramping up production to 40 cars a month by December.

On to the next deal—an agreement with the city of San Jose that includes 10 years of free rent from the city and tax breaks and subsidies from the state. The facility itself will cost \$250 million to build.

While the Roadster was made for the rich, the Model S sedan, starting at around \$60,000, will be made for the almost-rich. Its price puts it in the same range as the popular BMW 5-Series luxury sedans.

Based on its mule, Tesla executives assert that its final product will perform with all the agility and smoothness of BMW and Mercedes' luxury sedans, but, instead of chugging gas, it will run an electric charge.

"There is a pent-up demand for these vehicles," contends new chief executive Ze'ev Drori. "People are not just asking 'When can I get a sedan?' They're asking 'When can I get on the list to get the sedan?'"

Tesla hasn't opened a wait list yet—but it will start that list long before the cars are ready. Drori says he's scheduled the first sedans for "late 2010," when the factory opens its doors.

Considering the drawn-out production of the Roadster, is it wishful thinking to hope to see a Model S out before 2011?

Drori pledges that the snafus that held up Roadster production won't be repeated.

He blames many of the delays on a fruitless partnership with the auto parts maker Magna, which Tesla had contracted to build a transmission. ("We spent millions and got nothing.") Tesla then contracted BorgWarner (nyse: BWA - news - people) for the part but also started designing a transmission in-house as a redundancy.

As a result, Tesla was able to rush a first batch of Roadsters off the Hethel, U.K. assembly line with the transmission it had built, while it waited for BorgWarner to finish its superior engine part. Earlier this month, Tesla made its partnership with BorgWarner official, and, starting this week, Roadsters will run on that company's gearbox (owners of the first two dozen cars are promised a free upgrade).

Despite its jerky start, Tesla has fans.

Citrix CEO Mark Templeton was among the first Roadster owners. "Far exceeding my expectation," he gushed in a homemade YouTube video. Governor Arnold Schwarzenegger agreed to exempt Tesla from paying sales tax on the equipment it will buy in order to coax the company to move its planned factory from Albuquerque, N.M., to California.

San Jose Mayor Chuck Reed went to Tesla directly when he discovered his city, which is 20 miles from Tesla's current headquarters in San Carlos, wasn't on the list of possible factory sites, and asked the company to reconsider. "We just think we should be the city that has the first electric car manufacturing plant," says Reed.

The city's economic analysts say the new plant could employ about 1,000 manufacturing workers--welcome news in a region that has done nothing but cut blue-collar jobs since the dot-com bust.

Reed says despite Tesla's history of delayed production, he's betting the company is the "real thing." Enticing the company with a rent-free lease is a risk, he says.

But not a big one, considering the that land is undeveloped and the city has a "long-term Green Vision" to be home to more clean-tech businesses.

"If they turn out not to be the car of the future, then we're left with a big empty building," Reed concedes. "Our exit strategy will be to find something else to do with it."

Tesla plans San Jose manufacturing site for electric car

<http://blogs.zdnet.com/green/?p=1355>

Heather Clancy-Collins, ZDNET

Sept. 17, 2008

Web Circulation: 56,083

San Jose Mayor Chuck Reed has convinced green car maker Tesla Motors to build a proposed \$250 million facility in north San Jose, adding approximately 1,000 clean-tech jobs to his community by 2010. The deal will be disclosed today during a press conference in California.

The first phase will see Tesla locate a manufacturing facility for its electric cars on an 89-acre site near the San Jose Water Pollution Control Plant. The proposed assembly line is projected to begin producing electric sedans in late 2010, and will employ about 1,000 people when it is fully operational, according to the city. Eventually, the company plans to move its entire research and

development team, and headquarters operations to San Jose, bringing another 525 jobs into the community by 2012.

Mayor Reed says San Jose's ability to accommodate Tesla's aggressive construction schedule as well as its 10-point Green Vision plan for the surrounding community were critical in the negotiations. The proposal must still be approved by the San Jose council in a meeting on Oct. 7, according to the mayor.

San Jose has pledged to create 25,000 clean-tech jobs over the course of its 15-year Green Vision (the plan was announced last year). So far, there are about 2,000 clean-tech jobs in the area, including 500 positions related to the solar industry that were created within the past year. "I think this will be one of the earliest goals we meet," Mayor Reed says.

Tesla Motors to build electric sedan in California

<http://ap.google.com/article/ALeqM5i1xSdFst6dZLfc4zfAkh5tU8S0ogD9389MN00>

Associated Press, Marcus Wohlsen and Terence Chea

Sept. 17, 2008

Web Impressions: 362,687

Also ran in:

San Francisco Chronicle

[http://www.sfgate.com/cgi-](http://www.sfgate.com/cgi-bin/article.cgi?f=/n/a/2008/09/16/financial/f210715D68.DTL)

[bin/article.cgi?f=/n/a/2008/09/16/financial/f210715D68.DTL](http://www.sfgate.com/cgi-bin/article.cgi?f=/n/a/2008/09/16/financial/f210715D68.DTL)

Web Circulation: 137,597

Examiner.com

[http://www.examiner.com/a-](http://www.examiner.com/a-1591389~Tesla_Motors_to_build_electric_sedan_in_San_Jose.html)

[1591389~Tesla Motors to build electric sedan in San Jose.html](http://www.examiner.com/a-1591389~Tesla_Motors_to_build_electric_sedan_in_San_Jose.html)

Web Circulation: 25,092

Modesto Bee

http://www.modbee.com/state_wire/story/432256.html

Web Circulation: 3,919

Fort Mill Times

<http://www.fortmilltimes.com/124/story/292796.html>

Web Circulation: 583

San Luis Obispo Tribune

<http://www.sanluisobispo.com/348/story/472361.html>

Web Circulation: 3,357

San Jose Mercury News

http://www.mercurynews.com/news/ci_10482404

Web Circulation: 50,514

Las Cruces Sun-News

http://www.lcsun-news.com/ci_10482429

Web Circulation: 3,728

Conde Nast Portfolio

<http://www.portfolio.com/news-markets/national-news/ap/2008/09/17/tesla-motors-to-build-electric-sedan-in-california>

Web Circulation: 25,688

The Press Enterprise

http://www.pe.com/ap_news/California/CA_Tesla_Motors_359266C.shtml

Web Circulation: 13,223

Fresno Bee

<http://www.fresnobee.com/384/story/872909.html>

Web Circulation: 3,561

mlive.com

<http://www.mlive.com/newsflash/michigan/index.ssf?/base/business-17/122162515214980.xml&storylist=newsmichigan>

Web Circulation: 35,779

Enterprise Record

http://www.chicoer.com/news/national/ci_10482404

Web Circulation: 3,337

Contra Costa Times

http://www.contracostatimes.com/california/ci_10482404

Web Circulation: 18,713

Times Standard

http://www.times-standard.com/statenews/ci_10482404

Web Circulation: 1,072

WOOD-TV 8

<http://www.woodtv.com/Global/story.asp?S=9022921&nav=0Rce>

Web Circulation: 9,285

CBS5

<http://cbs5.com/environment/tesla.san.jose.2.819323.html>

Web Circulation: 14,079

San Diego Tribune

<http://www.signonsandiego.com/news/state/20080916-2107-ca-teslamotors.html>

Web Circulation: 55,588

Chicago Daily Herald

<http://www.dailyherald.com/story/?id=235478>

Web Circulation: 15,211

International Herald Tribune

<http://www.iht.com/articles/ap/2008/09/17/business/NA-US-Tesla-Motors.php>

Web Circulation: 8,073

Charleston Daily Mail

<http://www.dailymail.com/News/200809170036>

Web Circulation: 7,702

Seattle Post Intelligencer

http://seattlepi.nwsourc.com/business/1310ap_tesla_motors.html

Web Circulation: 55,111

WTOP News

<http://www.wtop.com/?nid=111&sid=1479730>

Web Circulation: 9,111

Monterey County Herald

http://www.montereyherald.com/business/ci_10482429

Web Circulation: 986

KTAR

<http://ktar.com/?nid=48&sid=960046>

Web Circulation: 9,462

Marin Independent Journal

http://www.marinij.com/business/ci_10482429

Web Circulation: 6,120

Ohio.com

<http://www.ohio.com/news/ap?articleID=797994&c=y>

Web Circulation: 13,211

News & Observer

<http://www.newsobserver.com/1566/story/1221484.html>

Web Circulation: 29,320

Fort-Worth Star Telegram

<http://www.star-telegram.com/461/story/914358.html>

Web Circulation: 56,667

Wichita Eagle

<http://www.kansas.com/508/story/532243.html>

Web Circulation: 17,053

Baltimore Sun

<http://www.baltimoresun.com/business/nationworld/wire/sns-ap-tesla-motors,0,5682630.story>

Web Circulation: 48,617

Town Hall

http://townhall.com/news/business/2008/09/17/tesla_motors_to_build_electric_sedan_in_california

Web Circulation: 42,631

Hartford Courant

<http://www.courant.com/business/nationworld/wire/sns-ap-tesla-motors,0,6997966.story>

Web Circulation: 16,212

Fort Wayne Journal Gazette

<http://www.journalgazette.net/apps/pbcs.dll/article?AID=/20080917/APF/809170532&template=apart>

Web Circulation: 15,667

Chicago Tribune

<http://www.chicagotribune.com/business/sns-ap-tesla-motors,0,5537374.story>

Web Circulation: 116,161

Kentucky.com

<http://www.kentucky.com/473/story/526443.html>

Web Circulation: 12,680

Herald Sun

<http://heraldsun.southernheadlines.com/business/wire/22-989918.cfm>

Web Circulation: 8,722

Bismark Tribune

http://customwire.ap.org/dynamic/stories/T/TESLA_MOTORS?SITE=NDBIS&SECTION=HOME&TEMPLATE=DEFAULT&CTIME=2008-09-17-01-49-49

Web Circulation: 2,365

baynews9.com

<http://www.baynews9.com/content/9/2008/9/17/383077.html?title=Tesla%20Motors%20to%20build%20electric%20sedan%20in%20California>

Web Circulation: 12,840

Press of Atlantic City

<http://www.pressofatlanticcity.com/107/story/259937.html>

Web Circulation: 7,296

amNewYork

<http://www.amny.com/business/nationworld/wire/sns-ap-tesla-motors,0,2986473.story>

Web Circulation: 11,153

The News Tribune

<http://www.thenewstribune.com/904/story/484534.html>

Web Circulation: 12,251

Silver City Sun News

http://www.scsun-news.com/business/ci_10482429

Web Circulation: 614

The Olympian

<http://www.theolympian.com/business/wire/story/587421.html>

Web Circulation: 5,534

Orlando Sentinel

<http://www.orlandosentinel.com/business/nationworld/ats-ap-tesla-motorssep16,0,1292803.story>

Web Circulation: 37,253

Sun Herald

<http://www.sunherald.com/businesswire/story/820942.html>

Web Circulation: 6,285

Anchorage Daily News

<http://www.adn.com/usbusiness/story/528377.html>

Web Circulation: 10,366

Seattle Times

http://seattletimes.nwsourc.com/html/business/technology/2008184597_apteslamotors.html

Web Circulation: 66,454

Central Florida News

http://www.cfnews13.com/News/Business/2008/9/17/tesla_motors_to_build_electric_sedan_in_california.html

Web Circulation: 2,614

The Patriot News

<http://www.pennlive.com/newsflash/index.ssf?/base/business-86/1221631444171810.xml&storylist=business>

Web Circulation: 12,644

Boston Globe

http://www.boston.com/business/articles/2008/09/17/tesla_motors_to_build_electric_sedan_in_california/

Web Circulation: 82,667

Newsweek

<http://www.newsweek.com/id/159297>

Web Circulation: 285,100

OneNewsNow.com

<http://www.onenewsnow.com/AP/Search/Business/Default.aspx?id=253912>

Web Circulation: 14,006

News10 NBC

<http://www.whec.com/article/stories/S582608.shtml?cat=588>

Web Circulation: 41,007

KAALtv

<http://kaaltv.com/article/stories/S582609.shtml?cat=10237>

Web Circulation: 642

KPAX-TV

<http://www.montanasnewsstation.com/Global/story.asp?S=9023058>

Web Circulation: 5,039

Sun-Sentinel

<http://www.sun-sentinel.com/business/nationworld/ats-ap-tesla-motorssep16,0,289089.story>

Web Circulation: 49,163

FOX26

http://www.kmph.com/Global/story.asp?S=9023058&nav=menu612_2_1

Web Circulation: 5,003

ABC9

<http://www.kcautv.com/Global/story.asp?S=9023058&nav=1kgl>

Web Circulation: 3,100

WLFI

http://www.wlfi.com/Global/story.asp?S=9023058&nav=menu591_3

Web Circulation: 3,522

WAAY-TV

<http://www.waaytv.com/Global/story.asp?S=9023058>

Web Circulation: 1,545

WKBT

<http://www.wkbt.com/Global/story.asp?S=9023058>

Web Circulation: 2,220

KVOA

http://www.kvoa.com/Global/story.asp?S=9023058&nav=menu216_3S

Web Circulation: 5,663

FOX12

<http://www.fox12news.com/Global/story.asp?S=9023058>

Web Circulation: 2,150

KFDA

<http://www.newschannel10.com/Global/story.asp?S=9023058>

Web Circulation: 1,555

WHOTV

<http://www.whotv.com/Global/story.asp?S=9023058&nav=2HAB>

Web Circulation: 4,691

NTV

http://www.nebraska.tv/Global/story.asp?S=9023058&nav=menu605_2

Web Circulation: 2,366

KVIA

<http://www.kvia.com/Global/story.asp?S=9023058>

Web Circulation: 405

KTVU Las Vegas

<http://www.ktnv.com/Global/story.asp?S=9023058>

Web Circulation: 1,689

WBAY

<http://www.wbay.com/Global/story.asp?S=9023058>

Web Circulation: 5,279

KRDO

<http://www.krdo.com/Global/story.asp?S=9023058>

Web Circulation: 2,121

KDBC

http://www.kdbc.com/Global/story.asp?S=9023058&nav=menu608_2_2

Web Circulation: 3,330

WWSB

<http://www.wwsb.com/Global/story.asp?S=9023058>

Web Circulation: 29

WBRC-TV

<http://www.wrcbtv.com/Global/story.asp?S=9023058>

Web Circulation: 156

KFSM

<http://www.kfsm.com/Global/story.asp?S=9023058>

Web Circulation: 1,303

WAOW

<http://www.waow.com/Global/story.asp?S=9023058><http://www.waow.com/Global/story.asp?S=9023058>

Web Circulation: 3,320

WOI-TV

<http://www.woi-tv.com/Global/story.asp?S=9023058&nav=1LFX>

Web Circulation: 3,059

WDBJ7

<http://www.wdbj7.com/Global/story.asp?S=9023058>

Web Circulation: 3,455

KNDO

http://www.kndo.com/Global/story.asp?S=9023058&nav=menu484_2

Web Circulation: 156

LocalNews8

<http://www.localnews8.com/Global/story.asp?S=9023058>

Web Circulation: 6,663

KRQE

<http://www.krqe.com/Global/story.asp?S=9023058>

Web Circulation: 4,184

WTVM

<http://www.wtvm.com/Global/story.asp?S=9023058>

Web Circulation: 2,191

WBTB

<http://www.wbtv.com/Global/story.asp?S=9023058>

Web Circulation: 3,443

WLBT

<http://www.wlbt.com/Global/story.asp?S=9023058&nav=2CSf>

Web Circulation: 1,926

WBOC

<http://www.wboc.com/Global/story.asp?S=9023058&nav=MXEF>

Web Circulation: 545

KSBY

<http://www.ksby.com/Global/story.asp?S=9023058>

Web Circulation: 3,566

MySunCoast

http://www.mysuncoast.com/Global/story.asp?S=9023058&nav=menu577_2_1

Web Circulation: 29

KTIV

<http://www.ktiv.com/Global/story.asp?S=9023058>

Web Circulation: 7,507

KATC

<http://www.katc.com/Global/story.asp?S=9023058>

Web Circulation: 3,085

KTVN

<http://www.ktvn.com/Global/story.asp?S=9023058>

Web Circulation: 1,689

Montana News Station

<http://www.kpax.com/Global/story.asp?S=9023058>

Web Circulation: 955

KLTV

<http://www.kltv.com/Global/story.asp?S=9023058>

Web Circulation: 4,396

WLNS

<http://www.wlns.com/Global/story.asp?S=9023058&nav=5D7v>

Web Circulation: 3,317

CBS19

<http://www.cbs19.tv/Global/story.asp?S=9023058>

Web Circulation: 2,334

WAFB

<http://www.wafb.com/Global/story.asp?S=9023058&nav=0aWU>

Web Circulation: 7,230

WANE

http://www.wane.com/Global/story.asp?S=9023058&nav=menu32_2

Web Circulation: 1,550

FOX28

<http://www.fox28.com/Global/story.asp?S=9023058>

Web Circulation: 5,458

MNTV

http://www.rmntv.com/Global/story.asp?S=9023058&nav=menu566_2

Web Circulation: 3,344

WXTV

http://www.wxvt.com/Global/story.asp?S=9023058&nav=menu1344_2

Web Circulation: 1,456

KSWT

<http://www.kswt.com/Global/story.asp?S=9023058>

Web Circulation: 3,222

WKYT

<http://ww2.wkyt.com/global/story.asp?s=9023058>

Web Circulation: 7,107

WFLX FOX 29

http://www.wflxfox29.com/Global/story.asp?S=9023058&nav=menu98_3

Web Circulation: 979

Herald-Zeitung

http://herald-zeitung.com/wire.lasso?report=/dynamic/stories/T/TESLA_MOTORS&-session=HeraldZeitung:42F947A61663c03532JmT16FF04F

Web Circulation: 9,334

KESQ

<http://www.kesq.com/Global/story.asp?S=9023058&nav=9qrx>

Web Circulation: 5,787

NewsWest9

http://www.newswest9.com/Global/story.asp?S=9023058&nav=menu505_2

Web Circulation: 2,369

Live5Now

<http://www.live5news.com/Global/story.asp?S=9023058>

Web Circulation: 1,566

WTHI

http://www.wthitv.com/Global/story.asp?S=9023058&nav=menu593_2

Web Circulation: 2,300

KFVS

<http://www.kfvs12.com/Global/story.asp?S=9023058&nav=8H3x>

Web Circulation: 1,939

KWCH

<http://www.kwch.com/Global/story.asp?S=9023058>

Web Circulation: 1,566

Desert TV

<http://www.deserttelevision.com/Global/story.asp?S=9023058>

Web Circulation: 20,457

KRIS

<http://www.kristv.com/Global/story.asp?S=9023058>

Web Circulation: 4,254

WAND

<http://www.wandtv.com/Global/story.asp?S=9023058>

Web Circulation: 2,266

KTVZ

<http://www.ktvz.com/Global/story.asp?S=9023058>

Web Circulation: 3,921

KOLD

<http://www.kold.com/Global/story.asp?S=9023058>

Web Circulation: 1,655

KXMB

<http://www.kxmb.com/News/276213.asp>

Web Circulation: 1,889

KXMC

<http://www.kxmc.com/News/276213.asp>

Web Circulation: 5,466

WIS-TV

<http://www.wistv.com/Global/story.asp?S=9023058>

Web Circulation: 6,697

KDRV

<http://kdrv.com/news/business/story-45336>

Web Circulation: 2,363

KOHD

<http://kohd.com/news/business/story-45336>

Web Circulation: 2,488

KEZI

<http://kezi.com/news/business/story-45336>

Web Circulation: 5,366

Centre-Daily

<http://www.centredaily.com/business/story/845186.html>

Web Circulation: 5,604

WREX

<http://www.wrex.com/Global/story.asp?S=9023058>

Web Circulation: 1,199 .

Clean-Tech Media

<http://media.cleantech.com/3453/tesla-build-factory-new-hq-san-jose>

Web Circulation: 14,200

Auto-News

<http://www.autonews.com/article/20080917/COPY01/309179975/1177&refsect=>

Web Circulation: 1,620

News One – Hinesberg

<http://www.newsone.ca/hinesbergjournal/stories1/index.php?action=fullnews&id=33803>

Web Circulation: 4,500

Herald News Daily

<http://www.heraldnewsdaily.com/stories1/index.php?action=fullnews&id=33803>

Web Circulation: 6,244

News One – Westfall Weekly

<http://www.newsone.ca/westfallweeklynews/stories1/index.php?action=fullnews&id=33803>

Web Circulation: 4,500

Chandler News

<http://www.onelocalnews.com/chandlernews-dispatch/stories1/index.php?action=fullnews&id=33803>

Web Circulation: 4,500

Telegram

<http://www.telegram.com/article/20080917/APF/809170532>

Web Circulation: 11,500

USA Today

http://www.usatoday.com/money/autos/2008-09-17-electric-sedan-to-be-made-in-california_N.htm

Web Circulation: 315,659

MarketWatch

<http://www.marketwatch.com/news/story/officials-announce-tesla-motors-development/story.aspx?guid=%7B612E55E2-EC11-412F-9088-464DA4323B28%7D&dist=hppr>

Web Circulation: 161,671

Just-Auto

<http://www.just-auto.com/article.aspx?id=96026>

Web Circulation: 3,833

The Green Car Web-Site

<http://www.thegreencarwebsite.co.uk/blog/index.php/2008/09/17/san-jose-wins-tesla/>

Web Circulation: 2,987

Press Democrat

[http://www.pressdemocrat.com/article/20080917/BUSINESS/809170380/1036/NEWS07&title=Tesla to build electric sedans in San Jose](http://www.pressdemocrat.com/article/20080917/BUSINESS/809170380/1036/NEWS07&title=Tesla%20to%20build%20electric%20sedans%20in%20San%20Jose)

Web Circulation: 6,444

Brandon Sun

http://www.brandonsun.com/story.php?story_id=110445

Web Circulation: 1,291

Canoe Money

<http://money.canoe.ca/News/Sectors/Technology/2008/09/17/6791041-ap.html>

Web Circulation: 7,214

Canadian Press

http://canadianpress.google.com/article/ALeqM5j5cjSh5U_sPbF61heWROdZUbB8iA

Web Circulation: 167

New York Times

<http://dealbook.blogs.nytimes.com/2008/09/17/tesla-revs-up-plans-for-sedan/>

Web Circulation: 502,873

KPTM

<http://www.kptm.com/Global/story.asp?S=9023058>

Web Circulation: 64

KXXV

<http://www.kxxv.com/Global/story.asp?S=9023058>

Web Circulation: 26,667

CanadaEast

<http://www.canadaeast.com/progress/article/417968>

Web Circulation: 1,002

KSL

<http://www.ksl.com/?nid=153&sid=4284001>

Web Circulation: 26,492

BusinessWeek

<http://www.businessweek.com/ap/financialnews/D9389MN00.htm>

Web Circulation: 104,995

NBC5

<http://www.nbc5.com/money/17493395/detail.html>

Web Circulation: 23,852

The Boston Channel

<http://www.thebostonchannel.com/automotive/17493395/detail.html>

Web Circulation: 35,737

WTOV-9

<http://www.wtov9.com/automotive/17493395/detail.html>

Web Circulation: 8,861

KMBC

<http://www.kmbc.com/money/17493395/detail.html>

Web Circulation: 9,259

KCCI

<http://www.kcci.com/money/17493395/detail.html>

Web Circulation: 3,222

KETV

<http://www.ketv.com/money/17493395/detail.html>

Web Circulation: 26,308

WAPT

<http://www.wapt.com/money/17493395/detail.html>

Web Circulation: 5,594

NBC30

<http://www.nbc30.com/money/17493395/detail.html>

Web Circulation: 5,909

WESH

<http://www.wesh.com/money/17493395/detail.html>

Web Circulation: 15,613

NBC5

<http://www.nbc5i.com/money/17493395/detail.html>

Web Circulation: 23,852

WBAL

<http://www.wbaltv.com/money/17493395/detail.html>

Web Circulation: 18,270

WMUR

<http://www.wmur.com/money/17493395/detail.html>

Web Circulation: 12,959

FOX Reno

<http://www.foxreno.com/automotive/17493395/detail.html>

Web Circulation: 3,133

WISN

<http://www.wisn.com/money/17493395/detail.html>

Web Circulation: 11,258

KOCO

<http://www.koco.com/money/17493395/detail.html>

Web Circulation: 17,171

ClickonDetroit

<http://www.clickondetroit.com/automotive/17493395/detail.html>

Web Circulation: 37,893

KTVU

<http://www.ktvu.com/automotive/17493395/detail.html>

Web Circulation: 19,815

NEWS4JAX

<http://www.news4jax.com/automotive/17493395/detail.html>

Web Circulation: 22,671

KFOX-TV

<http://www.kfoxtv.com/automotive/17493395/detail.html>

Web Circulation: 2,809

WLWT

<http://www.wlwt.com/money/17493395/detail.html>

Web Circulation: 17,214

NBC11

<http://www.nbc11.com/money/17493395/detail.html>

Web Circulation: 2,166

10News

<http://www.10news.com/automotive/17493395/detail.html>

Web Circulation: 8,465

The Denver Channel

<http://www.thedenverchannel.com/automotive/17493395/detail.html>

Web Circulation: 20,736

WDSU

<http://www.wdsu.com/money/17493395/detail.html>

Web Circulation: 9,755

KOAT

<http://www.koat.com/automotive/17493395/detail.html>

Web Circulation: 12,523

WXII

<http://www.wxii12.com/money/17493395/detail.html>

Web Circulation: 13,455

WHIO

<http://www.whiotv.com/automotive/17493395/detail.html>

Web Circulation: 5,453

WMTW

<http://www.wmtw.com/money/17493395/detail.html>

Web Circulation: 9,283

Channel3000

<http://www.channel3000.com/automotive/17493395/detail.html>

Web Circulation: 12,806

WJAC

<http://www.wjactv.com/automotive/17493395/detail.html>

Web Circulation: 3,366

KIRO

<http://www.kirotv.com/automotive/17493395/detail.html>

Web Circulation: 13,843

The Indy Channel

<http://www.theindychannel.com/automotive/17493395/detail.html>

Web Circulation: 22,318

WSB-TV

<http://www.wsbtv.com/automotive/17493395/detail.html>

Web Circulation: 55,693

DBTechno

<http://www.dbtechno.com/industry/2008/09/17/tesla-motors-to-open-electric-car-plant-in-san-jose/>

Web Circulation: 1,092

CTV

http://www.ctv.ca/servlet/ArticleNews/story/CTVNews/20080917/Tesla_Motors_080917/20080917?hub=SciTech

Web Circulation: 17,789

KCRA

<http://www.kcra.com/money/17493395/detail.html>

Web Circulation: 19,131

WKOW

<http://www.wkowitz.com/Global/story.asp?S=9023058>

Web Circulation: 1,176

San Mateo Daily Journal

http://www.smdailyjournal.com/article_preview.php?id=98075

Web Circulation: 7,600

IB Times

<http://hk.ibtimes.com/articles/20080917/tesla-motors-california.htm>

Web Circulation: 10,347

Prescot-Herald

<http://www.onelocalnews.com/prescottherald/stories1/index.php?action=fullnews&id=33803>

Web Circulation: 4,500

Detroit News

<http://www.detnews.com/apps/pbcs.dll/article?AID=/20080917/AUTO01/809170434/1361>

Web Circulation: 6,600

WPTZ

<http://www.wptz.com/money/17493395/detail.html>

Web Circulation: 5,500

Local News Watch

<http://www.localnewswatch.com/benton/stories1/index.php?action=fullnews&id=33803>

Web Circulation: 5,000

KSBY

<http://www.ksby.com/Global/story.asp?S=9024552>

Web Circulation: 7,000

CBS2

<http://www.deserttelevision.com/Global/story.asp?S=9024552>

Web Circulation: 20,457

KMPH

http://www.kmph.com/Global/story.asp?S=9024552&nav=menu612_2_7

Web Circulation: 5,000

KTVN

<http://www.ktvn.com/Global/story.asp?S=9024552>

Web Circulation: 5,500

KSWT

http://www.kswt.com/Global/story.asp?S=9024552&nav=menu613_2_6

Web Circulation: 5,000

KESQ

<http://www.kesq.com/Global/story.asp?S=9024552&nav=9qrxHqbX>

Web Circulation: 5,787

Washington Post

<http://www.washingtonpost.com/wp-dyn/content/article/2008/09/17/AR2008091700200.html>

Web Circulation: 264,784

Kansas City

<http://www.kansascity.com/438/story/800875.html>

Web Circulation: 35,378

Ledger-Inquirer

<http://www.ledger-enquirer.com/262/story/443093.html>

Web Circulation: 4,417

Miami Herald

<http://www.miamiherald.com/business/nation/story/689607.html>

Web Circulation: 63,333

Houston Chronicle

<http://www.chron.com/disp/story.mpl/ap/business/6006288.html>

Web Circulation: 9,714

Myrtle Beach Online

<http://www.myrtlebeachonline.com/606/story/597486.html>

Web Circulation: 8,322

BnD

<http://www.bnd.com/business/story/474466.html>

Web Circulation: 10,000

Newsday

<http://www.newsday.com/business/investing/wire/sns-ap-tesla-motors,0,5537796.story>

Web Circulation: 76,708

Macon

<http://www.macon.com/266/story/466113.html>

Web Circulation: 4,275

LA times

<http://www.latimes.com/business/investing/wire/sns-ap-tesla-motors,1,4041885.story>

Web Circulation: 152,766

Star-Tribune

<http://www.startribune.com/business/28494494.html?elr=KArks:DCiU1OiP:DiiUiD3aPc:Yyc:aUU>

Web Circulation: 45,808

Island Packet

<http://www.islandpacket.com/business/news/story/612876.html>

Web Circulation: 9,500

Daily Press

<http://www.dailypress.com/business/sns-ap-tesla-motors,0,5943286.story>

Web Circulation: 2,500

DC Examiner

<http://www.dcxaminer.com/ap/?c=y&id=797994>

Web Impressions: 25,091

Washington Times

<http://washingtontimes.com/news/2008/sep/17/tesla-motors-to-build-electric-sedan-in-california/>

Web Circulation: 19,547

KJCT8

<http://www.kjct8.com/Global/story.asp?S=9023058>

Web Circulation: 2,000

Herald-News Daily

<http://www.heraldnewsdaily.com/stories1/index.php?action=fullnews&id=33803>

Web Circulation: 4,500

Westfall Weekly News

<http://www.newsonline.ca/westfallweeklynews/stories1/index.php?action=fullnews&id=33803>

Web Circulation: 4,500

Chandler News-Dispatch

<http://www.onelocalnews.com/chandlernews-dispatch/stories1/index.php?action=fullnews&id=33803>

Web Circulation: 4,500

Jordan Falls

<http://www.localnewswatch.com/jordanfalls/stories1/index.php?action=fullnews&id=33803>

Web Circulation: 4,500

New Hope Courier

<http://www.onelocalnews.com/newhopecourier/stories1/index.php?action=fullnews&id=33803>

Web Circulation: 2,124

Howell Times and Transcript

<http://www.onelocalnews.com/howelltimesandtranscript/stories1/index.php?action=fullnews&id=33803>

Web Circulation: 4,500

Jackson

<http://localnewsleader.com/jackson/stories1/index.php?action=fullnews&id=33803>

Web Circulation: 4,500

White Rock Reviewer

<http://www.onelocalnews.com/whiterockreviewer/stories1/index.php?action=fullnews&id=33803>

Web Circulation: 4,500

Pioneer Times

<http://www.onelocalnews.com/pioneertimesjournal/stories1/index.php?action=fullnews&id=33803>

Web Circulation: 4,500

Sky Valley

<http://www.localnewswatch.com/skyvalley/stories1/index.php?action=fullnews&id=33803>

Web Circulation: 4,500

Brocktown

<http://www.localnewsleader.com/brocktown/stories1/index.php?action=fullnews&id=33803>

Web Circulation: 4,500

Ottawa Recorder

<http://www.newsonline.ca/ottawarecorder/stories1/index.php?action=fullnews&id=33803>

Web Circulation: 4,500

Akron Farm Report

<http://www.onelocalnews.com/akronfarmreport/stories1/index.php?action=fullnews&id=33803>

Web Impressions: 4,500

Kindred

<http://www.localnewsleader.com/kindred/stories1/index.php?action=fullnews&id=33803>

Web Impressions: 4,500

Olberlin

<http://www.localnewsleader.com/olberlin/stories1/index.php?action=fullnews&id=33803>

Web Impressions: 4,500

ELY Times

<http://www.localnewsleader.com/elytimes/stories1/index.php?action=fullnews&id=33803>

Web Impressions: 2,700

KSAT

<http://www.ksat.com/automotive/17493395/detail.html>

Web Impressions: 15,026

KSBW

<http://www.ksbw.com/money/17493395/detail.html>

Web Impressions: 2,000

The Pittsburgh Channel

<http://www.thepittsburghchannel.com/money/17493395/detail.html>

Web Impressions: 5,000

KITV

<http://www.kitv.com/money/17493395/detail.html>

Web Impressions: 2,500

WTOV9

<http://www.wtov9.com/automotive/17493395/detail.html>

Web Impressions: 8,861

NBCS

<http://www.nbcsandiego.com/news/17493395/detail.html>

Web Impressions: 9,093

TechWhack

<http://news.techwhack.com/8660-tesla-motors>

Web Impressions: 10,550

WFAA

http://www.wfaa.com/projectgreen/greenarticles/stories/wfaa080917_lj_sedan.85bf6790.html

Web Impressions: 23,578

Bakersfield Now

<http://www.bakersfieldnow.com/news/business/28519264.html>

Web Impressions: 5,500

FOXNEWS

<http://www.foxnews.com/story/0,2933,424021,00.html>

Web Impressions: 278,949

MSNBC

<http://www.msnbc.msn.com/id/26761512/>

Web Impressions: 1,253,333

NZHerlad

http://www.nzherald.co.nz/motoring/news/article.cfm?c_id=9&objectid=10532863

Web Impressions: 6,233

WSOCTV

<http://www.wsoctv.com/automotive/17493395/detail.html>

Web Impressions: 19,644

WNEM

<http://www.wnem.com/automotive/17493395/detail.html>

Web Impressions: 6,630

KCTV5

<http://www.kctv5.com/automotive/17493395/detail.html>

Web Impressions: 2,948

KPTV

<http://www.kptv.com/automotive/17493395/detail.html>

Web Impressions: 11,614

Local6

<http://www.local6.com/automotive/17493395/detail.html>

Web Impressions: 53,374

Local10

<http://www.local10.com/automotive/17493395/detail.html>

Web Impressions: 15,353

FOX5Vegas

<http://www.fox5vegas.com/automotive/17493395/detail.html>

Web Impressions: 166

WFTV

<http://www.wftv.com/automotive/17493395/detail.html>

Web Impressions: 29,514

KPHO

<http://www.kpho.com/automotive/17493395/detail.html>

Web Impressions: 24,006

WPXI

<http://www.wpxi.com/automotive/17493395/detail.html>

Web Impressions: 11,478

Click2Houston

<http://www.click2houston.com/automotive/17493395/detail.html>

Web Impressions: 29,155

HeraldNet

<http://www.heraldnet.com/article/20080918/BIZ/709189948>

Web Impressions: 35,896

Channel 4Car

http://www.channel4.com/4car/news/news-story.jsp?news_id=18102

Web Impressions: 6,500

Dallas News

http://www.dallasnews.com/sharedcontent/dws/fea/greenliving/stories/091808dnliv_sedan.8b9976fc.html

Web Impressions: 49,616

Motoring.Co

<http://www.motoring.co.za/index.php?fSectionId=753&fArticleId=4619199>

Web Impressions: 4,500

NewCarnet

http://www.newcarnet.co.uk/Tesla_news.html?id=8474

Web Impressions: 5,500

SAN FRANCISCO (AP) — When Tesla Motors Inc. began taking orders last year for its all-electric sports car, celebrities lined up to purchase the sleek zero-emission vehicle with the six-digit sticker price.

But with plans in the works for a new headquarters and factory, the Silicon Valley startup hopes it's taking the first step toward making electric cars a presence in the driveways of average Americans.

Tesla expected final approval Tuesday of a deal with the city of San Jose to lease nearly 90 acres of city-owned land for a plant to build the Model S, an all-electric sedan.

According to Tesla's chief executive, the planned \$250 million facility shows Tesla aims to do more than simply produce eco-friendly status symbols for wealthy drivers.

"It is our intention to service the entire market," CEO Ze'ev Drori said in an interview with The Associated Press. "We are not a niche player."

While its \$60,000 price tag still clearly marks the Model S as a luxury vehicle, the five-seater will cost at least 45 percent less than the Tesla Roadster, which starts at \$109,000.

The San Jose factory will also produce many more cars than the Roadster's planned run of 1,500 for the 2009 model year. The company wants to roll the first Model S off the San Jose assembly line during the fourth quarter of 2010 and expects to build 15,000 during its first year of production, Drori said.

In the future, Tesla aspires to make electric vehicles that a much broader base of consumers can afford.

"We are going to work down the road on cars which will be substantially less expensive again," Drori said.

Tesla's cars run on a huge lithium-ion battery pack that can be recharged by plugging an adapter cord into a wall socket. The company estimates the Roadster can travel 225 miles on a single 3.5-hour charge and expects similar results from the Model S.

Tesla had planned to build the Model S factory in New Mexico but announced in June that the plant would stay in California after Gov. Arnold Schwarzenegger and state Treasurer Bill Lockyer worked out a tax break for the company. Schwarzenegger is one of several celebrities, along with actors George Clooney and Kelsey Grammer, who the company says have all ordered Roadsters.

According to the company, the new factory and corporate headquarters will create about 1,000 jobs.

San Jose Mayor Chuck Reed said Tesla's move will bolster the city's goal of creating 25,000 jobs in the growing "clean technology" sector over the next 15 years. As part of the agreement to bring Tesla to San Jose, the company won't have to pay to lease the land for the first 10 years, he said.

"We want to be a world-class center of clean-tech innovation, and this fits into our strategy to do that," Reed said. "We hope to be the home of the electric car like Detroit was for the internal-combustion car."

Tesla to Build Plant, Headquarters in California City

<http://www.bloomberg.com/apps/news?pid=newsarchive&sid=a1.OcVyOw.RM>

Bloomberg News, Alan Ohnsman

Sept. 17, 2008

Web Impressions: 64,293

Also ran in:

LA Times

<http://www.latimes.com/business/la-fi-tesla18-2008sep18,0,2569561.story>

Web Impressions: 152,776

Arkansas Online

<http://www2.arkansasonline.com/news/2008/sep/22/san-jose-lands-electric-car-plant-20080922/?subscriber/national>

Web Impressions: 2,555

NWA News

<http://www.nwanews.com/adg/Business/238135/>

Web Impressions: 5,204

Tesla Motors Inc., aiming to be the first high-volume maker of electric cars, plans to build a \$250 million plant to produce sedans in San Jose, California, and move its headquarters to the same facility.

The factory initially will employ about 1,000 people and be able to produce 15,000 cars a year when it opens in late 2010, Chief Executive Officer Ze'ev Drori said in an interview. Construction costs will be more than \$100 million and, as part of incentives from the state, California will buy and lease to Tesla assembly machinery valued at about the same amount, he said.

"This is about bringing 1,000 clean tech jobs to San Jose to replace the loss of more traditional manufacturing jobs in our area," Chuck Reed, the city's mayor, said in an interview. "We want to be a center of green-collar manufacturing jobs."

Tesla, which said today that construction of the plant will start next year, is expanding to boost its lineup beyond the \$100,000 Roadster, a rechargeable sports car powered by 900 pounds (408 kilograms) of lithium-ion batteries.

Since Elon Musk, Tesla's chairman and main investor, said in 2006 that the closely held company would be the first successful modern producer of electric cars, General Motors Corp., Toyota Motor Corp. and Nissan Motor Co. have announced plans for competing plug-ins.

"This is going to be a fully integrated facility that will include marketing, sales, planning and assembly," Drori said. "We're designing it with capacity to expand to 30,000 vehicles a year without increasing the structure."

The so-called Model S sedan Tesla will build in San Jose is a five-passenger car intended to travel 240 miles on a single charge, with a base price of \$60,000, Drori said. Tesla's current headquarters is in San Carlos, California, about 24 miles (40 kilometers) northwest of San Jose.

Charging Stations

San Jose will lease 89 acres for the new facility, letting Tesla use it rent-free for 10 years, Reed said. To facilitate local use of Tesla models and other electric cars, the city will also build public charging stations into streetlights, he said.

"Whether it's Tesla, Nissan or GM with the Volt, you've got to build out infrastructure," Reed said. The city will also look for ways to add charging stations in apartment buildings and multiunit condominiums.

Tesla In June said it would take advantage of a California Alternative Energy and Advanced Transportation Financing Authority program that waives sales taxes on assembly equipment for so-called zero-emission vehicles. The state buys the machinery and leases it to the company, Tom Dresslar, a spokesman for the California Treasurer's Office, said on June 30.

Federal Loan Guarantees

The company, which has delivered about 30 Roadsters to celebrity customers such as California Governor Arnold Schwarzenegger, can access at least \$150 million in federal loan guarantees for building a factory that makes advanced-technology vehicles, Drori said. Tesla late last year applied for the loans, which were part of a 2005 energy bill, U.S. Energy Department spokeswoman Jennifer Scoggins said today.

Congress approved \$25 billion in such loan guarantees last year as part of energy legislation. Automakers have been lobbying for another \$25 billion. Chief executive officers of GM, Ford Motor Co. and Chrysler LLC yesterday sent a joint letter to U.S. House Speaker Nancy Pelosi asking that the loan amount from the 2007 bill be funded and that the program be expanded.

The combination of federally guaranteed loans, incentives from California and a recent round of private fund raising means Tesla can finance the San Jose project on its own and has no short-term need for an initial public offering, Drori said.

Initial Model

Tesla's Roadster is produced at Group Lotus Plc's factory in Hethel, England, with final assembly in San Carlos, where the U.S. company builds and installs the car's battery packs. There are no plans to manufacture that model in San Jose, Drori said.

Musk, Tesla's main investors, is a founder of PayPal Inc. whose other companies include satellite-launch service Space Exploration Technologies Corp. and Solar City Inc., a solar-panel installer. Other financial backers of the electric-car company include Google Inc. founders Larry Page and Sergey Brin and venture-capital firm Technology Partners.

Tesla Motors' Second Electric Car Will Be Made in Silicon Valley
<http://bits.blogs.nytimes.com/author/claire-cain-miller/>
New York Times, Claire Cain Miller
Sept. 17, 2008

Web Impressions: 502,884

Tesla Motors' second all-electric car, the Model S, is one step closer to reality.

On Wednesday morning, the company will announce a deal to lease 89 acres of land in San Jose, Calif., to build a company headquarters and a 600,000-square-foot plant to produce the battery-powered Model S sedan. (The company's first model, the \$109,000 Roadster, which is assembled in Britain and California and has a one-year waiting list.)

"This could bring 1,000 green-collar manufacturing jobs, which we're trying to get back after losing a lot in the bust," said Chuck Reed, San Jose's mayor.

Tesla is the most recent clean technology company to set up manufacturing in Silicon Valley. "We have had a change here in the last year in manufacturing jobs, and Tesla is the latest," Mr. Reed said, citing thin-film solar companies that are also manufacturing in the region.

The Model S will drive on the power from a lithium-ion battery pack and will be able to travel about 200 miles a charge. It will hit the roads at the end of 2010, the San Carlos, Calif., company said, and will sell for around \$60,000.

Tesla generates a lot of excitement in Silicon Valley, thanks in part to high-profile backers that include Jeff Skoll, former president of eBay; Larry Page and Sergey Brin, co-founders of Google; and Tesla chairman Elon Musk, co-founder of PayPal. Venture capital investors include Capricorn Investment Group, Technology Partners, VantagePoint Venture Partners and Draper Fisher Jurvetson.

The decision to manufacture the Model S in California came as a surprise when it was announced in June. Tesla backed out of an earlier agreement to open the plant in New Mexico. Ze'ev Drori, Tesla's chief executive since November, wanted the car to be made in California, where Tesla has been based since its founding in 2003.

"Silicon Valley is the birthplace of the silicon revolution. Now Silicon Valley is going to be a birthplace again, this time of the clean tech industry, and Tesla epitomizes that industry," he said.

California made it easy by offering Tesla incentives worth around \$15 million and possibly more, Mr. Drori said. That includes waiving rent for the first 10 years of the 40-year lease on the San Jose property and waiving state sales tax on \$100 million worth of equipment. New Mexico had reportedly offered Tesla around \$7 million worth of incentives.

The news comes after a difficult year for Tesla. Mr. Drori became chief executive in November, after the former chief, Martin Eberhard, was ousted in August. The company has also suffered layoffs and production delays, as VentureBeat reported.

In April, Tesla sued a former design consultant for stealing information and starting a competing company, reported The Times' John Markoff.

Mr. Drori said the company now has no production delays and the lawsuit is in arbitration. Tesla is currently seeking to raise \$100 million in financing in addition to the \$155 million it has already raised, he said.

San Jose wins electric car plant

<http://news.bbc.co.uk/1/hi/technology/7617972.stm>

BBC, Maggie Shiels

Sept. 17, 2008

Web Impressions: 332,415

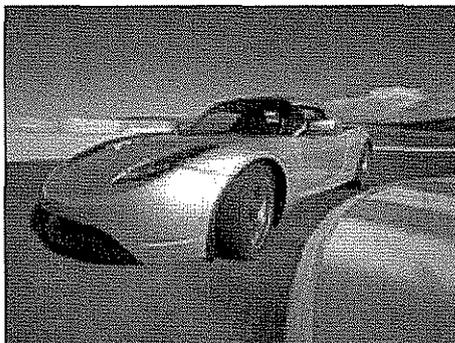
Also mentioned in:

Technocrat

<http://technocrat.net/d/2008/9/17/49581>

Web Impressions: 9,500

Tesla's two-seat electric Roadster went on sale this summer



San Jose is aiming to be the capital of clean technology following a \$250m (£139m) deal with electric car maker Tesla to base its new factory there.

The city beat other contenders to secure a project that will bring more than 1,000 jobs to the area.

"This is a big step toward being the centre of world cleantech innovation," said San Jose Mayor Chuck Reed.

Tesla boss Ze'ev Drori said that "this is proof the time has come for the electric car."

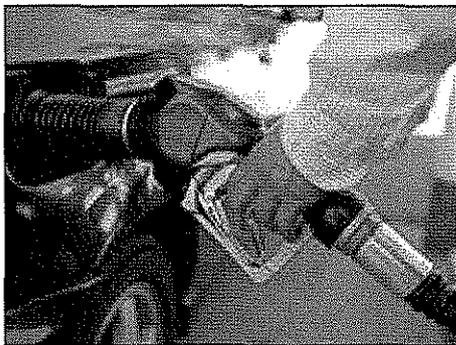
The company plans to produce an all-electric luxury sedan, called the Model S, at the plant with a retail price of around \$60,000 (£33,000.)

It already manufactures a two seater zero emission Roadster which sells for \$109,000 (£61,000) and is built by Lotus in England.

Mr Drori told BBC News Tesla hopes to deliver its first cars by 2010. They will have a range of about 240 miles (390 km) per battery charge. The production run is set for around 15,000 vehicles initially, with half of the line being sold in Europe.

"This car signals an end to dependency on foreign oil. The summer of high gas prices has accelerated demand for such a vehicle."

San Jose's mayor Mr Reed agrees. "This is the next step in transportation.



Oil prices hit a near high in the summer of \$150 a barrel

"Shifting from petroleum to electric vehicles will make a huge change to how the world moves and we are excited to be part of that happening."

Analysts however believe Tesla will face a tough challenge with its five-seater sedan, especially from GM's Volt, which was unveiled this week.

"Tesla's electric sedan will be a tough sell alongside the Volt which will cost around \$35,000 (£19,500)," said Michael Kanellos of Greentech Media.

"Price will play a big role in this battle."

'Vote of confidence'

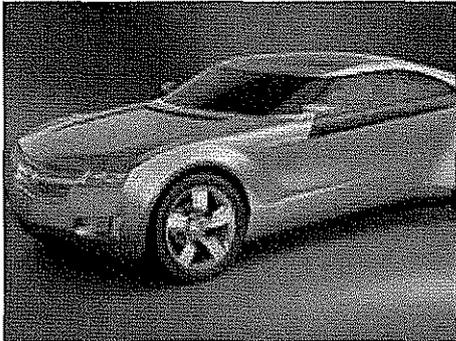
San Jose along with the State of California devised an incentive programme estimated at around \$150m (£84m) to persuade Tesla to site its new plant in the city.

While California came up with a hefty \$100m (£56m) financing package, San Jose put land into the deal.

The first 10 years of the 40 year lease on the 90-acre plot will be rent-free. After that a yearly lease payment of \$1.5m (£835,000) will be paid over the next ten years with a 2% increase year on year for the last 20.

Mayor Reed told BBC News he believed this part of the package was worth around \$50m (£28m) but stressed the land was not being used anyway.

"A lot of investment decisions are based on faith in the future and confidence in the future and this 250 million dollar project is a real stamp for us and a vote of confidence in San Jose.



General Motors said the Volt symbolises its commitment to the future

"Hopefully it will help other companies to make investment decisions and locate their businesses here."

He said that San Jose, which is said to have America's highest per-capita concentration of hybrid cars, is aggressively encouraging cleantech companies to the area.

The Mayor claimed the city is the leader in attracting these types of companies with more than 40 already calling San Jose home and providing more than 2,500 jobs.

"San Jose is the capital of Silicon Valley, which offers the best opportunities because it is right here where the innovation is happening.

"It is important for Tesla to be close to that innovation and this is a big boost for us."

Tesla's Mr Drori said his business represents the beginning of a burgeoning growth sector.

"Cleantech is a completely new paradigm and what we are doing represents a major seismic shift. That's the reason we chose San Jose and we will lead this charge."

Greentech Media's Mr Kanellos said cleantech is "going through a really exciting time."

"It's cool the fact the government of California sees a bit future in this and certainly companies are saying they are getting swamped with applications for people to work in the sector," he said.

"There is a whole generation of kids who want to work in this area not just for the money but because it's cool."

Tesla plans Silicon Valley electric car factory

<http://www.reuters.com/article/environmentNews/idUSN1630756720080917>

Reuters, Peter Henderson

Sep 17, 2008

Web Circulation: 180,595

Tesla plans Silicon Valley electric car factory

<http://uk.reuters.com/article/environmentNews/idUKN1630756720080917>

Reuters UK, Peter Henderson

Sep 17, 2008

Web Circulation: 180,595

Also ran in:

The Vancouver Sun

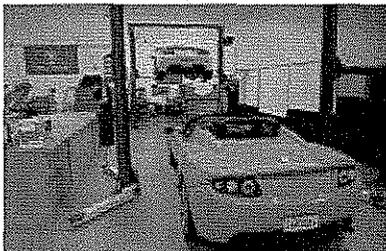
<http://www.canada.com/vancouvernews/news/story.html?id=dfe8b9b3-c5f0-4a7a-8803-55d2765a46ff>

Web Impressions: 95

Guardian

<http://www.guardian.co.uk/business/feedarticle/7803988>

Web Impressions: 40,566



LOS ANGELES (Reuters) - California electric sports car-maker Tesla Motors is building a \$250 million Silicon Valley plant to produce sedans that will roll onto U.S. highways in late 2010, the company said ahead of a Wednesday announcement.

The two-seater Tesla Roadster grabbed attention as a must-have toy -- Gov. Arnold Schwarzenegger is a customer -- with solid environmental credentials in the state that often sets national trends on clean air and energy.

San Jose Mayor Chuck Reed said the northern California town known for technology would be home to the factory and was rushing headlong toward so-called clean tech. "We've still got lots of other tech here, but the solar companies are growing," he said in an interview ahead of the factory announcement.

Tesla Chief Executive Ze'ev Drori in a separate interview said he expects manufacturing of the five-passenger, \$60,000 Model S sedan to hit a rate of over 15,000 a year by the last quarter of 2011. Tesla will build the factory on its own.

"We have enough money," Drori said, adding that Tesla is a couple of months away from closing up to \$100 million in private equity financing, and that the U.S. Department of Energy has approved \$150 million in loan guarantees. The state of California also has offered significant tax breaks.

Other carmakers are planning zero-emission vehicles, and major manufacturers including General Motors Corp and Toyota Motor Corp are racing to make plug-in hybrids that can drive on battery power and then switch to gasoline when they need power.

"I am sure there will be competition," said Drori. "We hope there will be competition. Competition will accelerate demand."

Tesla Motors Picks San Jose for \$250 Million 'Model S' Plant and HQ

<http://www.treehugger.com/files/2008/09/tesla-motors-picks-san-jose-model-s-hq.php>

TreeHugger, Michael Graham Richard

Sept. 17, 2008

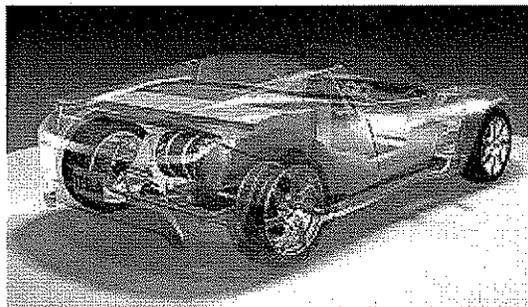
Web Impressions: 79,391



Tesla Goes to San Jose

We knew that the manufacturing plant of Tesla's second electric car, the Model S, would be in California, but we didn't know where. Today we learn that San Jose has been picked to host not only Tesla Motors' EV plant and R&D, but also the company's headquarters.

"Construction of the proposed \$250 million facility on an 89-acre site, located at Zanker Road and Highway 237 near the San Jose Water Pollution Control Plant in North San Jose, is planned to begin in the summer of 2009. The first vehicles will likely roll off the assembly line in late 2010. When fully operational, the facility will employ approximately 1,000 workers." The plant is expected to get LEED Gold certification. Read on for more details on the Model S and incentives to Tesla.



Tesla Model S

The Model S, formerly known as "Whitestar", will be a 4-door, 5-passenger luxury sports sedan (we've heard some comparisons to the BMW 5), all electric like the Roadster. It should sell for about \$60,000 and have a range of about 225 miles on a charge



Incentives

California offered incentives worth about \$15 million and possibly more. That includes waiving rent for the first 10 years of the 40-year lease on the San Jose property and waiving state sales tax on \$100 million worth of equipment.



But obviously the state and city are hoping that this will be worth it:

"Just as with automotive manufacturers located elsewhere throughout the world, Tesla will require supplier companies located near the new San Jose facility to facilitate just-in-time manufacturing and inventory control, which will further spawn new jobs and opportunities in the region," said

Paul Krutko, chief development officer, City of San Jose. "With a concentration of clean tech companies locating in North San Jose, Tesla is providing tremendous momentum to the creation of San Jose's 'clean tech cluster,'" said Krutko.

Tesla is also said to be targeting an IPO next year if the market conditions are better.

Tesla to Build the "Model S" Electric Sedan in San Jose

<http://earth2tech.com/2008/09/16/tesla-to-build-the-%E2%80%9Cmodel-s%E2%80%9D-electric-sedan-in-san-jose/>

Earth2Tech, Katie Fehrenbacher

Sept. 17, 2008

Web Impressions: 1,000

San Jose Mayor Chuck Reed must be happy. Tesla plans to announce Wednesday morning that it has decided to build its Model S electric sedan in a 600,000-square-foot plant in San Jose, Calif., on an 89-acre plot of land that will also include new company headquarters. The company says construction on the plant will begin in the summer of 2009.

Tesla announced in June that it would manufacture Model S in California, instead of New Mexico, which prompted speculation over which Northern California city would win the electric car maker's business. Supposedly the short list included San Jose, South San Francisco and Vacaville.

But San Jose mayor Chuck Reed has been one of the most vocal champions of bringing green jobs and cleantech firms to San Jose, so we're not surprised the car maker landed there. In front of a group of investors and entrepreneurs at the AlwaysOn GoingGreen conference this week, Reed said San Jose would make it easy for cleantech firms to open headquarters and manufacturing plants in the city, and asked companies what it would take to get their business there. Reed told the New York Times that the Tesla plant could create 1,000 green-collar manufacturing jobs.

Tesla's CEO Ze'ev Drori told the WSJ that the company is raising \$250 million in new financing — including new private financing led by Goldman Sachs and a loan guarantee from the Department of Energy — to get the plant built. The news comes the same month that Tesla said it has finished work on its final powertrain and is working with BorgWarner on a single-speed gearbox.

Tesla plans to build electric sedan in California

<http://www.canadiandriver.com/thenews/2008/09/17/tesla-plans-assembly-plant-in-california.htm>

Canadian Driver

September 17, 2008

Web Impressions: 7,300

Tesla plans to build electric sedan in California

San Jose, California - Electric vehicle company Tesla Motors has announced its intention to build a US\$250 million facility to manufacture a zero-emission luxury sedan in San Jose, California. The company will also relocate its corporate headquarters, and its research and development efforts, to a consolidated campus there.

Tesla president and CEO Ze'ev Drori announced that construction would begin in the summer of 2009 and, when fully operational, employ approximately 1,000 workers. The factory will be 32 km from the current headquarters in San Carlos.

The new car, the Model S, is a five-passenger luxury sedan powered by a lithium-ion battery pack. It is expected to have a base price of about US\$60,000 and get about 240 miles (386 km) per charge. The first sedans will likely roll off the assembly line in 2010.

The company's first production vehicle is the Roadster, an all-electric two-seat sports car that is assembled at a Group Lotus PLC factory in Hethel, U.K. The company has delivered about 30 so far in the U.S. and Europe and said about 1,200 people have put down deposits to reserve one. Tesla has no plans to move Roadster production.

The company recently announced that it hired Executive Vice President Mike Donoughe, who spent 24 years at Chrysler; Chief Financial Officer Deepak Ahuja, who are formerly a controller at Ford; and Chief Designer Franz von Holzhausen, former director of design for Mazda North America, who is designing the Model S.

Tesla to build electric-car factory in San Jose

http://www.mercurynews.com/ci_10481210?IADID=Search-www.mercurynews.com-www.mercurynews.com

San Jose Mercury News, Matt Nauman

Sept. 16, 2008

Print Impressions: 228,537

Web Impressions: 50, 514

Also ran in:

The California Majority Report

<http://www.camajorityreport.com/index.php?module=articles&func=display&aid=3552&ptid=9>

Web Impressions: 10,000

Oakland Tribune

http://www.insidebayarea.com/oaklandtribune/localnews/ci_10482423

Web Impressions: 47,768

Daily Review

http://www.insidebayarea.com/dailyreview/localnews/ci_10482423

Web Impressions: 31,183

Inside Bay Area

http://www.insidebayarea.com/news/ci_10482423

Web Impressions: 30,000

San Mateo County Times

http://www.insidebayarea.com/sanmateocountytimes/localnews/ci_10482423

Web Impressions: 26,364

Tri-Valley Herald

http://www.insidebayarea.com/trivalleyherald/ci_10482423

Web Impressions: 7,005

Alameda Times Star

http://www.insidebayarea.com/timesstar/localnews/ci_10482423

Web Impressions: 16,900

The Argus

http://www.insidebayarea.com/argus/localnews/ci_10482423

Web Impressions: 26,619

The Business Reporter

http://www.thereporter.com/business/ci_10486049

Web Impressions: 17,881

SiliconValley.com

http://www.siliconvalley.com/ci_10481210

Web Impressions: 10,500

Santa Cruz Sentinel

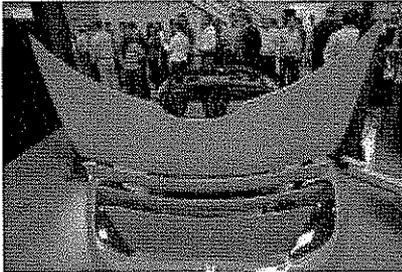
http://www.santacruzsentinel.com/nationalbreaking/ci_10489938

Web Impressions: 23,856

Contra Costa Times

http://www.contracostatimes.com/california/ci_10489938

Web Impressions: 18,713



The crowd packs the garage at Tesla Motors in San Carlos during a visit by Gov.... (Gary Reyes)

Tesla Motors and San Jose announced Wednesday that the city has been tapped as the future home for the electric-car maker's factory and new headquarters.

Both will be located on about 90 acres of land adjacent to the water-treatment plant off Zanker Road near Highway 237 in North San Jose. That property is jointly owned by San Jose and Santa Clara, whose city councils still need to approve the terms of the deal.

For San Jose, the deal not only is a public-relations coup, it also brings new jobs and expands the city's tax base. For Tesla, the move signals the automaker is moving beyond a rocky start and toward its goal of producing zero-emission cars in volume.

"We're the world center of innovation in clean tech," said San Jose Mayor Chuck Reed on Tuesday, adding that the city wasn't even on Tesla's short list of potential factory locations when it said in late June that it would build its plant in the Bay Area. "The team put a really big effort into it."

Said Ze'ev Drori, Tesla's chief executive: "We love San Jose. It's a good deal for both parties."

Tesla chose San Jose for numerous reasons. It's a Silicon Valley company, and it wanted its executives and engineers to be near its factory. Drori mentioned the skilled high-tech workforce, especially those familiar with electronics and software. Also, the company expects many of its buyers to be Californians; its first two showrooms are in Menlo Park and Santa Monica.

The carmaker also was confident about San Jose's expertise in quick permitting and clearing obstacles for new businesses, Reed said. And while San Jose has been active in attracting solar companies to locate in the city, "this is a much bigger deal because of what it is and the technology it represents," Reed said. "It's not just another solar company. It's an electric car, which has tremendous upside for us, and a whole new area of job potential."

Reed said the city would sign a 40-year lease with Tesla and would provide the first 10 years rent-free. In years 11 to 20, Tesla will pay \$1.5 million a year for the property, and then see rent increases of 2 percent a year in years 21 to 40. Tesla will pay the usual development fees, Reed said, but the city will look for a way to rebate them over time once tax revenues start flowing in from the company.



California also is pitching in to make the Tesla factory a reality.

This summer, when Gov. Arnold Schwarzenegger announced that Tesla would build its factory in California, the state said it offered to waive the sales tax on \$100 million worth of equipment.

California actually will purchase the equipment for the assembly plant and lease it to Tesla, which will not

have to pay sales tax on it once Tesla buys the equipment. That will save Tesla about \$8 million on \$100 million worth of equipment. The company also is eligible for at least \$1 million in state training funds.

Closer to home, a study released last week by San Jose said the plant could generate 516 direct or indirect jobs, and the headquarters would employ 525 people. Combined, the city said, the total annual payroll would exceed \$100 million.

The study also said construction of the new plant would result in 600 jobs and \$40 million in wages. Tesla will pay for the factory through a \$150 million loan guarantee from the U.S. Department of Energy as well as with a forthcoming funding round of \$100 million. The city said the plant itself would generate an estimated total economic output of \$2.5 billion a year, from the cars and parts it makes.

Reed said that property and other taxes from Tesla would put an estimated \$600,000 a year into city coffers. Santa Clara will see tax revenues as well.

All of which is welcome news in Silicon Valley, which has witnessed rounds of layoffs in the last year, particularly in the high-tech sector.

"Economically, any time you have 1,000 new jobs move into a city it's something to celebrate, especially nowadays," said Pat Dando, president and chief executive of the San Jose Silicon Valley Chamber of Commerce and a former San Jose vice mayor. "It's a great win for San Jose."

Dando praised Reed and his team for their effort in landing Tesla.

"That's exactly the bold, progressive leadership a mayor has to show today," she said.

Drori, who described the negotiations as "rather intense," said San Jose beat out Vacaville. He noted that if the deal with San Jose should fall through, Vacaville will get the factory, but not Tesla's headquarters.

The San Carlos electric-car company, chaired by PayPal co-founder Elon Musk, said previously it would build its first factory in New Mexico. But it backed out of that deal after delays with its first model allowed California to put together a package of financial incentives to lure it back. On June 30, Tesla announced its intention to build a factory in the Bay Area.

Tesla's first car, a two-seat electric called the Roadster, went on sale this summer. The company said it has delivered 27 cars, which are being built at a Lotus factory in England. It has begun installing a revised transmission and will ramp up production from four to 10 cars a week. By March, it will be making 40 cars a week.

While the Roadster, priced at \$109,000, is destined to remain a niche model, Tesla has much more mainstream plans for its Model S sedan, to be built in San Jose. That car, which is expected to cost \$50,000 to \$60,000, could see annual production numbers of 20,000, Tesla says. It will be an all-electric four-door model.

Reed expressed confidence in Tesla, but acknowledged that "we can never be 100 percent sure" that the company will succeed.

"Our exit strategy is that we're leasing them the land," he said. "If they don't make it, we'll have our land back and probably a pretty nice building on it."

Drori said that going from the Roadster being built at another company's factory to assembling its own car in its own plant represents "another leap forward." That's why Tesla is in the midst of a hiring campaign seeking people with automotive experience, such as Mike Donoughe, a 24-year Chrysler veteran who was recently hired as Tesla's engineering and manufacturing executive vice president.

"We can approach people in Detroit and have the pick of the litter, so to speak," he said. "We are an amalgamation — the best that Detroit can offer and the best of Silicon Valley put together."

FAST FACTS ABOUT THE TESLA MOTOR FACTORY

What: Workers will build the Tesla Model S, a four-door electric sedan costing \$50,000 to \$60,000, and perhaps some future models.

Where: Near Zanker Road and Highway 237 in North San Jose.

When: Plant construction would start as soon as all details are completed, with production slated to start by the end of 2010.

Who: Factory will employ about 500 workers and generate \$60 million in wages. An additional 500-plus workers will staff Tesla's headquarters. San Jose Mayor Chuck Reed predicted that suppliers, vendors and others expected to locate their operations nearby could boost the total job potential to 2,000.

How much: Production could reach 20,000 vehicles a year.

The deal: San Jose and Santa Clara will lease land to Tesla for 40 years, with the first 10 years being rent-free. After that, Tesla will pay rent on a sliding scale, starting with \$1.5 million a year in year 11. The city also will rebate development fees back to Tesla, Reed said. The state says it offered Tesla an \$8 million tax break, plus \$1 million in state training funds.

Source: Tesla Motors; city of San Jose; state of California

Tesla to open plant for Model S electric sedan

http://news.cnet.com/8301-11128_3-10043733-54.html?tag=mncol;title

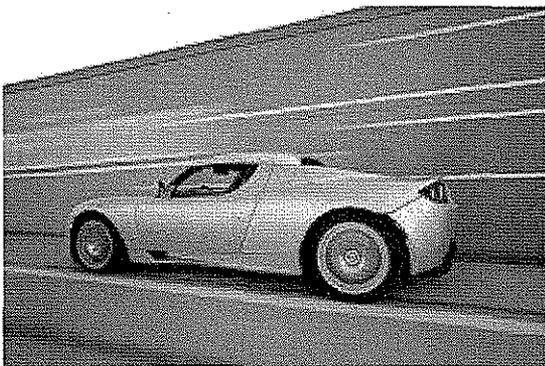
Matin LaMonica, CNET

Sept. 16, 2008

Web Impressions: 172,783

Tesla Motors on Wednesday is expected to announce a planned \$250 million investment in a facility in San Jose, Calif., to manufacture its Model S all-electric luxury sedan.

The company plans to break ground on the installation next summer and begin to deliver cars in late 2010, a company representative said Tuesday. It has scheduled a news conference for Wednesday to detail the move.



The Tesla Roadster

(Credit: Tesla Motors)

The Tesla Roadster, a \$109,000 all-electric sports car which began shipping earlier this year, is made at a Lotus plant in the U.K.

The San Jose operation will house a factory, research, and development center, and become Tesla corporate headquarters, the representative said.

The plant will be capable of turning out 15,000 Model S sedans a year, which can be ramped up to 30,000 units, she added.

The Model S will be a five-person luxury car with a range of 240 miles per battery charge. The projected cost is about \$60,000.

To pay for the operation, Tesla intends to raise \$100 million in a series E round, which the company plans to announce in the coming months, according to the Tesla representative. It also expects to get a loan guarantee from the U.S. Department of Energy worth \$150 million, she said.

People eager to buy a Tesla Roadster now can get on a waiting list, but the company has not started a waiting list for the Model S.

The city of San Jose is expected on Wednesday to list the incentives it offered Tesla to locate its headquarters there.

Days getting sunnier for solar in Silicon Valley

<http://www.eetimes.com/showArticle.jhtml;jsessionid=VCDR2OWOQFE2GOSNDLOSKHSCJUNN2JVN?articleID=210601849>

EE Times, Sheila Riley

September 16, 2008

Print Circulation: 26,000

Web Circulation: 1,249

When it comes to the emerging U.S. solar technology industry, there's no contest: Silicon Valley shines the brightest.

"It's in the midst of the revolution," according to Gartner analyst Al Velosa.

The valley isn't the only tech center in the country working on the renewable energy source. But it has a potent mix of strengths that look good to analysts: California's overall enthusiasm for solar, public utility support, semiconductor industry veterans now working in the solar space, and high-energy startups.

"What makes the valley more interesting is that the wave of emerging startups are pioneering techniques that will help take solar power to the point of being competitive with regular electricity," Velosa said. "This is the where the real excitement and potential in Silicon Valley is."

That's just what SolarTech, a local organization dedicated to removing business barriers to the technology, wants to hear. Its 40 members include companies, utilities, and the city of San Jose.

Two years in the making, SolarTech was formally established in August. It's an initiative of the Silicon Valley Leadership Group, a government/business public policy organization focusing on the area's economic health and quality of life.

Members include SunPower, Chevron Energy Services, Applied Materials and Underwriters Laboratories, along with SunEdison, North America's largest solar energy provider, and Pacific Gas and Electric.

The organization hopes to add regional governments to its membership roster, said Doug Payne, who directs the group's business operations. Payne also manages commercial business development for REGrid Power, which designs and installs residential and commercial solar electric systems in the area.

There are big challenges in solar technology business processes, according to Payne.

Financing is one. The paperwork is not streamlined, and there's a lot of it. The building permit process--residential and commercial--is inconsistent. Getting permits can be done over-the-counter, or can take several weeks. "It's an extremely unpredictable process," Payne said.

In addition, governmental jurisdictions use different versions of the National Electrical Code. "That contributes to a tremendous amount of inefficiency," Payne said. "It's a fundamental barrier to growth."

In spite of these roadblocks, SolarTech's vision is a 15 percent to 18 percent annual total reduction in solar installation cycle time and processes every year for the next five years.

The group also hopes to see expansion with the Energy Department's Solar America Initiative over the next three to five years. That initiative has designated 25 "Solar America Cities", which have committed to accelerating local adoption of solar technologies.

Solar tech is part of a larger scheme in San Jose: the Green Vision. Adopted in 2007, the Green Vision is a 15-year plan to transform the city into a world center of clean technology innovation.

Green Vision's goals include creating 25,000 cleantech jobs, reducing per capita energy use by 50 percent, obtaining all electrical power from clean and renewable energy sources, and building or retrofitting 50 million square feet of green buildings.

"We're one of the few communities that completely links environmental and economic goals," said Collin O'Mara, who has the title of clean tech strategist for the city.

Underwriters Labs has a major role in solar tech development in Silicon Valley. In July, UL opened a commercially focused photovoltaic testing and certification facility, the largest in North America, in San Jose.

The 20,000 square-foot complex, with 14 test chambers and two solar simulators, has indoor and outdoor testing capabilities to evaluate PV modules and panels. The goal is to enable solar products to get to market faster, said Bill Colavecchio, vice-president and general manager of UL's Global Industrial Products Center.

PV will be competitive with traditional fuels for electricity generation in the next five to ten years, according to Colavecchio. And Silicon Valley will continue to be an innovator in the growing marketplace, he said.

"Silicon Valley will be one of the critical global leaders that will ultimately make PV mainstream," Colavecchio said.

But not everyone sees a completely sunny solar future. Cost is a serious issue, according to Gartner's Velosa. "The industry needs to get a lot cheaper," he said.

Washington could be more enthusiastic in promoting solar tech, Velosa added. "The U.S. government will support drilling through tax rebates, but they won't fund a new industry through investment tax credits," Velosa said. "That new industry, solar technology, would help drive both American jobs and U.S. competitiveness."

Battle of the Bay - The Clean Tech Initiatives of San Francisco Vs. San Jose

<http://www.solarpowerrocks.com/san-francisco/battle-of-the-bay-the-clean-tech-initiatives-of-san-francisco-vs-san-jose/>

SolarPowerRocks!, David Llorens

September 15, 2008

Web Circulation: 9,000

San Francisco and San Jose are setting examples for other cities in our nation by being renewable energy hotbeds. However, the cities are taking very different approaches. San Francisco is more focused on putting cash incentives and city-based financing into the hands of the consumer to make renewable energy installations more feasible. On the other hand, San Jose is skipping consumer subsidies and focusing on developing the local renewable energy industry, reducing the product innovation cycle and time-to-market.

San Jose

I spoke with Collin O'Mara, San Jose's Clean Tech Strategist (How many cities have this dedicated job position do you think?). There are many clean tech initiatives going on in San Jose, so much so that it sounded like his head was spinning. He spewed forth about 20 different plans in about 30 minutes. I won't outline all their goals here (go here to see them), but I will tell you they are ambitious, to say the least. They want to be the clean tech center of the world, and I hope they pull that off. I read their "green vision" and I like where they're focusing.

An important question that Collin wants San Jose to answer is: "How do we get your new products to market as quick as possible?" A big solution to the problem was building a San Jose UL testing lab. If you want your products on the market, they need to be UL tested. Before that facility opened, the nearest solar testing labs were in Arizona (saddled with up to year-long backlogs). Now San Jose has the largest working photovoltaic testing facility in the world.

Another example of SJ banking on industry instead of broad subsidies was the San Jose Solar Challenge. Mayor Reed implored solar companies to develop a way for San Jose'ers to install solar energy with no up front costs by creative financing structures. They got some good results from this that will definitely scale to other cities. Hey, if you want something, you gotta ask for it.

The bottom line is that if you are a budding clean tech company trying to bring some products from design to market, San Jose's gonna try to make that as easy as possible for you. They'll help you in many ways, so it's a good place to be. Collin then mentioned about four zillion clean tech companies focused in San Jose that I won't list here.

As a side note: I've noted before that my biggest hopes for market-changing solar tech in the very near term come from two product ideas: the integrated PV+Hot Water panels and Micro-Inverters. Collin agreed that these are exciting technologies.

San Francisco

While San Jose might be a great place to call home if you're a clean tech startup, San Francisco has some VERY strong initiatives focusing on the consumer, including the San Francisco Solar Incentive Program that gives up to \$6000 per residential meter and even more for businesses. San Francisco is also working with the city of Berkeley to create a low interest loan program to make the solar out-of-pocket expense more bearable for its citizens. Smaller power bills and increased cost of doing business in San Francisco make some of the zero-financing programs no dice here. The above measures are going to help fix that and then some.

Both SF and SJ are winners of the 2008 Solar cities grants. SF is using some of this partnership money to run train the trainers meetings. The city trains proactive citizens to explain the fundamentals of solar energy to their neighbors, tennis clubs, bridge groups, whatever. I know

that when citizens organize group purchases of solar energy they are much more effective in making a difference, because everyone feels like the right questions are being asked to the installer and everyone feels more comfortable. I have high hopes for this plan. Finally, although I am biased obviously, I hope we can get some aid from the city to get the word out about One Block Off the Grid's second run in here in SF, and hopefully triple the success of the first round.

Putting Solar to the Test

<http://www.yourtv20.com/greenlife>

Channel 20 – Your Green Life, Leslie Nagy

August 18, 2008

Web circulation: 257

San Jose is now home to the largest solar testing facility in North America and we're getting a sneak peak!

San Jose: Hub for a green-tech gold rush?

http://news.cnet.com/8301-11128_3-10005020-54.html

CNET, Elsa Wenzel

August 4, 2008

Web Circulation: 510,000

q&a SAN JOSE, Calif.--Could the self-proclaimed "capital of Silicon Valley" become the world's center for clean-tech innovation?

Mayor Chuck Reed unveiled a 15-year plan in October to "green" San Jose. Of the city-greening road maps from mayors around the nation, his is among the most ambitious. Reed wants the city's 974,000 souls to get all electricity from renewable sources by 2022 (affording five more years than former Vice President Al Gore's similar yet scoffed-at challenge for the nation). And Reed aims to add 25,000 green jobs, keep all waste out of landfills, and renovate 50 million square feet of office space to green standards.

Scroll down for a short video of the interview.

CNET sat down with Reed last week at his office, which towers 18 stories above city hall, to learn about early progress toward greening the 10th-largest U.S. city, which sits in a state with the world's 10th-largest economy.

Mayor Chuck Reed hopes the world will look to San Jose first for innovation in clean tech.

(Credit: Elsa Wenzel/CNET)

Q: What progress has been made so far with your Green Vision goals?

Reed: We have 15 years. They're going very well, as we have a lot of private sector interest and buy-in from the public, and in terms of the clean-tech jobs that have already been generated. We're already starting to see the fruits of that as solar companies are expanding in San Jose, moving to San Jose. I've been meeting with Silicon Valley CEOs to make sure that if they're expanding, that it's in San Jose.

We want to make sure that, as with NanoSolar, SoloPower, Stion, SVTC, and Underwriters Laboratories, that we're getting those opportunities. This stuff happens rapidly and if you're not paying attention, people will pick up and move around the world. We're talking to other solar companies now.

That part is going very well. The industry is still doing well, notwithstanding the uncertainty of the solar tax credit that Congress is not yet able to pass...

The job creation side of it, I think, will be one of the easier goals. If you do the math, with less than 1 percent of the world energy market growing at 30 percent per year. You can grow at 30 percent for many, many years, in a market that is measured in trillions. That's pretty exciting. If we can just capture the market opportunity here, we'll have 25,000 tech jobs relatively early. What are some benefits you're able to offer to companies to keep them here, especially given the uncertainty of the renewable energy tax credits?

Reed: First of all, they want to be here. This is Silicon Valley, innovation capital of the world. It comes with a built-in bias. What we can do as a city is to assure (companies) that when they decide to grow, move, or expand, that we can do it in a time frame that works with whatever they need, that our permit processing, our approval permits, our industrial tools inspection program, all those things will happen on their time frame, quickly, with limited bureaucratic hassle.

We also have available millions of empty square feet left over from the (dot-com) boom and bust. Because we have a lot of real estate available, we're still competitive in a world market on real estate in ways that we are not very competitive, say, in labor costs.

Aren't real estate costs relatively high here?

Reed: Actually, in a world market, we're substantially cheaper than other places in the world, in Europe and Asia. The places we're competing with for innovation centers, real estate isn't cheap but it's modestly priced. That's a plus. Companies have to deal with headaches of doing business in California. It's not cheap to manufacture anything here. We're probably at a 40 percent disadvantage to some of the competing states on the costs of manufacturing and who knows what it is to other places in the world.

But we're talking about companies where the labor cost is a relatively small part of their manufacturing process. So our thin-film solar printing solar guys, NanoSolar and SoloPower, for example, are actually creating manufacturing jobs here. We want to be close in that distance from innovation to production to be short. They want to be here, and their labor costs are not so much a part of their total costs.

(Due to the soft dollar), exporting has been good for companies that are in the export business. If you look at Germany, for instance, being the world's solar capital, how can San Jose and the United States overall work to beat them and other regions that may already be ahead of the game?

Reed: They're certainly ahead of us on market size and what they've done, but where we are the best in the world is in innovation. There are tremendous opportunities on conservation and innovation in the production of energy to bring the costs down.

Unfortunately, we've given them a head start, so we have to make up some ground. This problem with the solar tax credit in Congress is not helpful. We're counting on the magic of Silicon Valley. Venture capital people are doing the same thing, pouring money into it.

What do you think will happen with the tax credits?

Reed: I believe they will be extended. Both houses of Congress have voted to pass them, in different forms, unfortunately. It's just not gonna happen soon enough. We already have companies laying people off because you just can't guarantee at least on the larger commercial installations that they'll be installed and operational by the end of the year.

Worst-case scenario if it doesn't happen?

Reed: If it doesn't happen, our installation companies, and the market, will stall, especially on the residential. There's no doubt about that. The manufacturers will discontinue charging ahead because they're selling to Japan, Germany, and Spain as well as the U.S. market. I don't know how long it'll stall the market...In part, it depends on the innovation and how we bring the costs down.

What do you anticipate will happen with the coming administration in Washington and how do you hope the new president will help to support your goals in green tech?

Reed: The campaigns of both the candidates sort of look like they're in the same place in clean tech. Both of them understand the power that clean tech can feed to the U.S. economy.

Whichever person wins, we're going to have some of the same kinds of policy changes made from the current administration. I think you'll see it in a cap-and-trade system.

It's all very general and far out there in the future. It's hard to sort out where it might go, when you get down having to make budgetary decisions on things like renewable energy tax credits and how do you pay for them, and what do you do with oil? That's part of the fight. The solar industry and wind industry have had to take on big oil and the entrenched way of doing things.

That hasn't always been the case with Silicon Valley. A lot of the innovation here has been created with new products, new markets that weren't having to take on an industry to move ahead. Did the Internet have to take on television and radio? Not really.

There's this incredible infrastructure built up around petroleum, and we've got to rebuild a completely different infrastructure and spend a lot of money to implement wind and solar. When it gets down to the tough decisions about where do you spend the money and use the tax credits, there may be differences between (John) McCain and (Barack) Obama. So far, both of them look very promising.

Gov. Arnold Schwarzenegger has called you the "green mayor." What kind of support do you see from his administration if clean tech is to continue charging ahead in California?

Reed: The governor has been a leader on this. A.B. 32 greenhouse gas legislation and his million solar roofs program are leading the way. We've said we're going to do 100,000 of his million solar roofs here. We're tagging onto that and state tax credits.

We're working together with his staff on economic development--and on things like, can we get (electric sports car maker) Tesla (Motors) to locate here in San Jose?

Are other companies on your wish list to be located here?

Reed: All solar companies. There are several others we're talking to, but I can't disclose who they are. Any solar company that needs to expand is a solar company we want to talk to.

Many regional leaders and business leaders say that in the past decade or so, they've filled a gap that has been left by Washington in terms of leadership in renewable energy and the clean-tech sector in general. The U.S. Conference of Mayors has played a visible role. How do you see your role and the role of other mayors changing, perhaps, again with a new administration? Will your work be easier, harder?

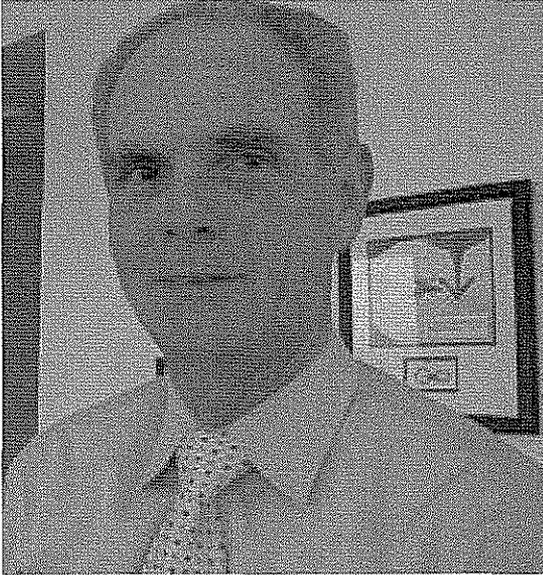
Reed: I think our role in San Jose is to do research and development work necessary to demonstrate to the world that you can do these green things when you don't have money. Almost all cities are in some sort of budget difficulty, it seems, on a permanent basis.

While we have these big, bold goals, we don't have a big pot of money. We're figuring out how to do it on other people's money. As we figure that out to make it easier for all these companies, that's what we're going to share and demonstrate to other mayors and cities. As they say in Silicon Valley, invent what you have to and copy the rest.

We've had good support from the current administration, from the Department of Energy. We're a Solar America city. We have a small project, the Electronic Transportation Development Center, a small grant from the Department of Commerce.

With this new industry, clean tech, with solar and wind, there are a lot of bureaucratic and legal hurdles, so we have bills going through state legislature that make it possible for us to try these

things, like our plug-in hybrid stations that we want put on our light poles, the development agreement we have with Coulomb, there are some bureaucratic hurdles we have to go through.



Mayor Chuck Reed hopes the world will look to San Jose first for innovation in clean tech. What are some hurdles?

Reed: Every light is not metered, so we pay a per-unit to PG&E. If we change the nature of the streetlights, we have to negotiate a new per-unit price.

There are restrictions on what we can do with electricity in terms of reselling it. Are we selling it to Coulomb, to the end user? Can we do either of those? Who pays for it and how does it get built? That's what we'll do in this two-year contract.

Once we've got the package solved, we can give it to every other city and say, "You don't have to reinvent the wheel. Here's the wheel," just as they've done in Berkeley with their program trying to make it possible for financing districts for solar.

What do you think about Project Better Place--now called Better Place--which is trying to establish infrastructure for electric cars, plug-ins, in a different way, with battery-charging and swapping stations? Mayor Gavin Newsom has expressed a wish for San Francisco to be the first to try out that infrastructure model.

Reed: One of the things I've learned is that government needs to be technology neutral and facilitate this. Exactly how we'll do with electric cars, I don't have an opinion. If it means swapping batteries is the most cost-effective way, let's do it. It really depends on where battery technology goes. What does it cost? That solves one of the problems when you run out of juice, but a hybrid also solves that problem.

What kind of car do you drive?

Reed: I have a Prius. I got it April 1. It drives like a car. Nothing amazing about it other than it gets 44 miles per gallon. It's a car, folks, you'll like it. More head room and leg room.

As for potentially having cleaner cars for government employees, how do you see that working out?

Reed: One of our goals is to convert our entire fleet. About a third of our fleet includes everything from CNG (compressed natural gas) to biodiesel to hybrids. As we roll over old vehicles into new vehicles, we're moving in that direction so that all of them will be converted. We do operate a CNG station at the airport. We're working on our taxi fleet to get them converted to CNG. We're getting hybrids. I don't know if we have anybody running on french fry grease.

Do you foresee electricity becoming the next dominant "fuel?"

Reed: We hope so. You could make a compelling case that is the best way to get off of petroleum, to convert these vehicles to electricity. We're gonna have this hybrid bridge for quite a while. There's certainly a large market for people who drive less than 40 miles per day. What do you think for the potential of bike rental stations or electric bike rentals? A company called Intrago is testing this. It's kind of like in Paris where you can rent a manual bicycle, only these are electric.

Do you see something like that working in San Jose?

Reed: I can see how that would work on a corporate campus or a campus where people can pick up a bike. If you can ride the train and then have a bike available, it certainly makes it a lot more feasible for people to ride the train or bus.

One area of the clean-tech sector is in toxic clean-up and bioremediation. Is that something you'd like the region to focus on, given that there's been pollution over the years from semiconductor manufacturing?

Reed: That's not one of our big goals. Most of the remediation and clean-up work here in the Valley is behind us. The real money that drives that kind of thing has already been spent. Lots of places are still under remediation, but it's all very passive and systems are in place. We certainly have nanotechnology companies and biotech companies that might be doing something in those areas but as a growing market, I just don't think it's there. Thankfully, I think that era is behind us, I hope. Nationally the money that's being spent on clean-up has shrunk.

Solar is a big focus but how might wind and other renewables play a part?

Reed: We have companies in our incubator spaces that are into wind. The other thing that's interesting is that, OK, people think it's about solar and wind. But it's also about energy conservation, and efficiency is by far the most fruitful area in the short run. One of my favorite examples is a controller. Fairchild Semiconductor, one of the oldest companies in the Valley, is in the energy conservation business. This controller will save 40 percent of the electricity for an electric motor...Everybody's in the energy conservation business, it seems. It's another whole other opportunity for technology.

And, of course, we have the world's most efficient solar cell from SunPower, and then Bloom Energy with a fuel cell. Now the interesting thing about both of these products? These are both Mars project spin-offs from NASA, which is very handy to have here locally.

Whether fuel cells will win, or solar will win--or will it be a combination of fuel cells and solar? Because you know, you can run the fuel cell backwards. With solar, you can change the direction of the flow into the fuel cell. Does that solve the storage problem when solar doesn't work in the middle of the night? Maybe. Smarter people than me will figure it out.

Do you anticipate big deals with utilities for big solar plants?

Reed: Probably not. We don't have the territory here. We also don't have as much heat and sun as in the desert. Transmission is a difficult problem. We are working on some transactions here for a demonstration project for large-scale solar. Whether or not we'll be able to put it together, I don't know.

The economy is still growing in clean tech. We're not shrinking...Companies are making money and the market is really good.

Even with a recession?

Reed: Even with a recession. They're hiring. There are jobs. And in terms of green jobs and environmental justice, what kinds of jobs do you foresee expanding? At what levels? How do you create a lasting base of jobs that aren't just one-time deals, like installing solar panels? What do you do once all the solar panels are up?

Reed: One of the things that has us excited are the opportunity for green-collar jobs...We're gonna have many, many, many, many years for just solar installation alone...Our manufacturing jobs, like the thin-film printing places, are putting in real manufacturing jobs, green collar jobs. They're not just hiring scientists and engineers; they're manufacturing jobs.

And anything having to do with our solar industry here means those installations have to happen here. You can't outsource them. So there are a lot of opportunities for the kind of jobs that we lost when the boom went bust, getting some of those back.

What lessons might the clean-tech sector and leaders like yourself learn from the dot-com bust? Some see a green-tech bubble.

Reed: Well, these are real companies with real products. That's a big difference.

Plug-In Cars Zoom Forward

http://www.forbes.com/technology/2008/07/29/kramer-plugin-hybrid-tech-communting08-cx_stc_0729kramer.html

Forbes, Sarah Terry-Cobo

July 29, 2008

Web circulation: 231,569

Burlingame, Calif. - Felix Kramer is in the right place, at the right time, hawking the right product. As gasoline has risen to nearly \$5 per gallon, Kramer's advocacy of plug-in hybrid electric cars has caught the public's--and automakers'--attention. Indeed, who wouldn't want a car that uses a fraction of the gas of traditional cars and twice the equivalent mileage of regular hybrid cars? Through his nonprofit California Cars Initiative, Kramer, 59, is urging the auto industry to build a new generation of hybrid car that plugs into an electrical socket. These cars have an extra set of lithium ion batteries that act as a range extender for the electric motor. On an average 30-mile commute to work, for instance, the electric engine can handle the drive by itself; no gas is used. For the commute back home after work, the car can be plugged into a 110-volt outlet and charged up again.

Kramer's initiative, which he founded in Palo Alto, Calif., in 2002 (and is also known as Calcars.org), has converted about 12 hybrids, mostly Toyota Priuses, into plug-ins. There are approximately 200 hybrids converted to plug-ins across the world, Kramer says. The Electric Power Research Institute (EPRI) says the battery technology necessary to power plug-ins has been available for several years and estimates that these hybrids could be mass-produced by 2010.

"I realized that cars really are the fulcrum of the economy," Kramer told Forbes.com at the Plug-In 2008 Conference in San Jose, Calif., last week. "If you can change cars, you can change many things. ... It is the end of business as usual, and the car industry needs to figure out ways to build cars that are not using fossil fuels."

Automakers, which dismissed plug-in cars for years, have recently come around to them now that high gasoline prices have reduced demand for SUVs and other gas guzzlers. Indeed, General Motors (nyse: GM - news - people) has put its Hummer division on the block and is working on electric and electric hybrid vehicles, while Ford Motor (nyse: F - news - people) is planning to make small cars at some of its truck manufacturing plants.

The carmakers, however, say they're supporting plug-in hybrids to help reduce petroleum consumption and pollution. GM spokesman Rob Peterson says the automaker and Kramer have the same goals. "He wants [plug-ins] for the same reason GM wants them--to get away from the use of petroleum and because they offer an environmental solution," Peterson says.

Toyota (nyse: TM - news - people) is developing plug-in Priuses that could launch in a trial phase in late 2009 or early 2010. The automaker is working with Panasonic to build a factory in Japan that produces lithium ion batteries.

In addition, there are an estimated 30 start-ups working on electric vehicles and their components. The Cleantech Group, which tracks investments in this space, says \$273 million has been invested in lithium ion battery technology in the U.S. over the past three years.

The real challenge, Kramer says, is convincing automakers to build plug-ins on a large scale. Even though they agree that plug-in electric vehicles are a good idea, few have committed to mass production. "They're not convinced, or they are still in a business as usual mode," he says. "They don't understand that the world around them is changing and these things are going to have to happen."

Despite Kramer's criticisms, automakers and industry experts say he is a pioneer in spreading the gospel of plug-ins. "It wasn't until Felix came along that they got some traction, because he's a promoter," says Andy Frank, a mechanical engineering professor at the University of California, Davis, who built the first hybrid vehicle in 1972.

Mark Duvall, program manager of electric transportation at Palo Alto, Calif.-based EPRI, says Kramer has become synonymous with plug-ins. "If you want to find out the Daily Kos or the most prominent source of public info about plug-in hybrid electric vehicles, it's Calcars," he says.

Still, some experts warn that Kramer isn't an engineer. He claims that plug-ins can get 100 miles per gallon, but Frank says this is misleading and consumers should instead think about how much less gasoline they are using. "If a conventional car uses 700 gallons of gas per year, you could reduce that to 70 gallons per year in a plug-in electric hybrid vehicle," Frank says.

Kramer's activism dates back to the Vietnam War. In the 1970s, he founded a trade association that promoted solar and other types of renewable energy. He also ran a desktop publishing business to pay the bills. In 2001, Kramer sold his business and decided to focus on environmental issues full time.

He looked into fuel cell technology first, but quickly discovered it was a far-off reality. Plug-in hybrids, however, had near-term potential because the technology and infrastructure to support them is already available.

Kramer also has lots of help these days pushing plug-ins. Co-Op America, a nonprofit that promotes sustainable businesses, is promoting an "Adopt-a-Dealer" program that petitions auto dealers to also sell plug-in cars. Google.org, the Internet giant's philanthropic arm, is testing six plug-in vehicles in the company's corporate fleet and plans to include up to 100 vehicles. The City of Austin, Texas, is a founding member of Plug-In Partners, a coalition of businesses, city and state governments and utilities that are testing plug-in hybrids. And San Jose, Calif., just unveiled a few plug-in hybrid vehicle charging stations.

All these efforts, Kramer says, has "helped to create a grass-roots demand for a new product. It didn't come from a company or from the government, it came from people saying, 'This is what we want. Build it for us.' "

Mayor: Cleantech leaders are finding their way to San Jose
<http://blogs.zdnet.com/green/?p=1234>
ZDNET – Green Pastures, Heather Clancy
July 22th, 2008

Web Circulation: 56,083

The great thing about visiting my brother and his family in San Jose is that there is almost always a business reason for me to be here. I used my latest trip (ending tomorrow) to catch up with the mayor of San Jose, Chuck Reed, about his city's aggressive green tech agenda. I first blogged about San Jose's strategy last November in my "Where's the greenest city of them all post?" San Jose has crafted a 10-point Green Vision spanning the next 15 years that is that you can read at this Web site link. Here are those points summarized:

1. Create 25,000 cleantech jobs.
2. Reduce per capita energy use by 50 percent.
3. Receive 100 percent of electrical power from clean renewable sources. (Note to Mayor Reed: Former Vice President Al Gore would like you to do this more quickly.)
4. Build or retrofit 50 million square feet of green buildings.
5. Divert 100 percent of waste from landfill and convert it to energy.
6. Recycle or beneficially reuse 100 percent of wastewater (100 million gallons per day).
7. Adopt general plan for sustainable development.
8. Ensure 100 percent of public fleet runs on alternative fuels.
9. Plant 100,000 new trees and replace all streetlights with zero-emission lighting.
10. Create 100 interconnected miles of trails. (San Jose is an awfully sprawling city.)

Here are some points of progress that I discussed with Mayor Reed:

San Jose is now the site of the country's largest solar testing and certification facility, run by Underwriters Laboratories. This makes San Jose an even more attractive headquarters location for solar technology companies, since it's easier for them to tweak product designs, according to Mayor Reed. Significant solar technology players that have chosen sites in San Jose include SVTC, SunPower and NanoSolar. "There are real companies here doing real things," Mayor Reed says. One black cloud looming over the San Jose solar industry, however, is the scheduled expiration later this year of incentives related to alternative energy development. Here's one recent story about the current situation.

Personal observation: Ironically, I spent the day before my interview listening to my brother attempt to negotiate a deal with a local solar installer. San Jose has announced an aggressive incentive program of its own to encourage 100,000 solar rooftops through leasing arrangements with local homeowners. No money down, just a monthly payment. The challenge is that his particular roof isn't conducive to the installation, so he faces a roof job before he can embrace this approach. So, this won't necessarily be as easy as it looks.

Other key milestones for the city of San Jose:

- Its Environmental Business Cluster area won a national award for its work in helping new technology companies.
- A big local employer, eBay, has opened a gold rated building under the Leadership in Energy and Environmental Design (LEED) program.
- Local solar company SunPower has snagged a contract with Macy's to retrofit every store in California with solar technology.
- Mayor Reed credits local business leaders, such as those involved in the SolarTech consortium or the Silicon Valley Leadership Group for stepping up to the green tech challenge and inspiring real benefits that make what his administration less of a pipedream and more of a local business mantra. "Together, we are driving economics in a way that is a big plus," he says.

Opening of Underwriters Laboratories

Aired on New Tang Dynasty Television – Video link below.

<http://www.cntv.us/zh/view/8572/UL%E8%AA%8D%E8%AD%89%E6%A9%9F%E6%A7%8B%E7%9F%BD%E8%B0%B7%E8%A8%AD%E5%A4%AA%E9%99%BD%E8%83%BD%E6%9D%BF%E6%B8%AC%E8%A9%A6%E5%BB%A0>

New Tang Dynasty Television
July 18, 2008

Web Circulation: 3,333

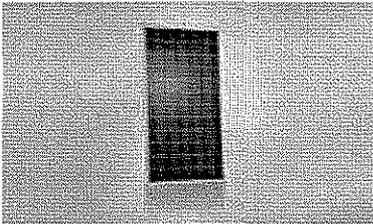
New lab to address solar testing shortfall

New testing centre and \$1.2bn order highlight another bumper week for the solar sector

<http://www.businessgreen.com/business-green/news/2221983/lab-address-solar-testing>

BusinessGreen, Danny Bradbury
July 18 2008

Web Circulation: 1,167



Several companies confirmed their faith in the growing solar power industry this week, as a flurry of new deals bolstered the industry's supply chain and injected new capital into the solar manufacturing and installation sectors.

Underwriters Laboratories, which specialises in compliance testing, opened a 20,000 square foot testing facility for photovoltaic cells in San Jose.

The company's renewable energy industry manager Evelyn Butler said that it currently has nine to 12 months of testing work lined up and hopes that the new facility will allow it to cut the time it takes complete these projects to six months. She added the move would help reduce time to market for manufacturers in California's burgeoning solar industry.

The facility, which the firm claims is the largest in North America, is able to test thin film and crystalline solar cells, Butler said. "A typical crystalline module can cost \$40,000 or so to test, although it depends on the complexity of the product itself," she added.

Tests include cycling between extreme temperatures to test for weather hardiness. That test can take 45 days, and the total testing period is around 80-85 days. The facility will be able to test around 350 products per year, Butler said.

Doug Pane, director of business development at SolarTech, an initiative from the Silicon Valley Leadership Group designed to promote the Californian solar industry, said that testing facilities have been in short supply. "Getting test and certification was difficult," he said. "So, to solve that problem for industry, we had to establish a local testing and certification lab for PV products close to the source of innovation for the companies themselves."

In related news, two solar companies have also received a financial boost this week. Solar cell manufacturer Evergreen Solar signed a long-term \$1.2bn sales contract with German solar panel distributor IBC Solar. IBC Solar will use the panels in its operations, which include resale to installation companies, and direct implementation of utility-scale projects.

Meanwhile, "solar as a service" specialist Recurrent Energy scooped up \$75m in investment funding for its commercial and industrial installation business, which sells solar power installation services to business customers. The company, which sells the services under a power purchase

agreement, received the funding from Hudson Clean Energy. The installer recently secured a deal for a 5MW plant with the City of San Francisco.

Solar leaders tour Underwriters Laboratories' new San Jose testing lab

<http://www.bizjournals.com/sanjose/stories/2008/07/21/story7.html>

Silicon Valley / San Jose Business Journal, Emma Ritch

July 18, 2008

Print Circulation: 1,587

Web Circulation: 3,320

Major players in the solar industry descended on San Jose this week to tour the continent's largest and newest commercial testing facility for solar panels.

Underwriters Laboratories Inc. on July 14 opened the lab, which it expects will be fully functional by the end of the month.

The 20,000-square-foot building, located at 2191 Zanker Road, will have the capacity to test and certify 120 types of modules annually, said Evelyn Butler, Underwriters' industry manager for renewable energy.

The solar industry suffers from a "severe lack of testing facilities," said Tom McCalmont, chairman of industry consortium SolarTech and chief executive of solar design and installation company REgrid Power Inc. in Campbell.

"Because of this, the pace of product innovation is dramatically slowed," he said.

New solar technologies can't go to market until they're tested, but the current backlog is about six to eight months, Butler said. This facility could cut the wait time to three months, which is the time it takes to test panels. Testing at the UL facility includes exposure to extreme temperatures, rain, hail, submersion and falling objects.

The lab will initially employ 16 workers, including five engineers and eight lab technicians, but it will expand to 25 employees within five years, Butler said.

Underwriters -- a for-profit, independent testing-certification company based in Chicago -- located the multimillion-dollar project in San Jose because of the area's leadership in the solar industry, said UL President Keith Williams.

Williams said the global growth rate for photovoltaic products has increased 30 percent annually for the past three years, requiring more infrastructure to maintain that growth rate.

San Jose Mayor Chuck Reed said the facility's location will give Silicon Valley-based companies an advantage.

"We have to cut that time from innovation to production because it's a global competitive market," he said.

Tech-Heavy San Jose Learned Some Lessons From Dot-Com Crash

<http://www.investors.com/editorial/IBDArticles.asp?artsec=17&artnum=4&issue=20080716>

INVESTOR'S BUSINESS DAILY, TONY KONTZER

July 16, 2008

Print Circulation: 161,421

Web Circulation: 18,997

The dot-com crash of 2000-01 is more and more a distant memory in the place where the carnage was worst. And thanks to some moves by the city of San Jose in reaction to that crash, the self-proclaimed "Capital of Silicon Valley" seems to be holding its own in today's slowdown. Seven years after losing 220,000 jobs in the dot-com crash, the San Jose area added 14,600 jobs in 2005, 19,400 in 2006 and 10,200 in 2007, according to the California Employment Development Department.

The department pegged the May jobless rate in San Jose and the entire Santa Clara County at 5.5%, compared with 6.5% for the state. It said the county, and a small county just south, added 6,500 jobs in the 12 months ended in May, 2,400 of which were in computer electronics and manufacturing. May was the 44th straight month of year-over-year job growth.

The number of San Jose's information-sector jobs rose 4% in February from February 2007, while its manufacturing jobs rose 2%, according to Property & Portfolio Research. That compares with nationwide declines of 0.7% and 2.1%, respectively.

Weak Dollar Helps

"If you draw a line through the decades, we're on a solid path of growth," San Jose Mayor Chuck Reed said in an interview.

The economy's troubles, or at least the fall in the dollar's value, has actually helped the area, some say. As the dollar falls, the price of U.S. goods overseas drops, boosting U.S. sales overseas.

Many U.S. tech industries are booming thanks to the dollar, says Richard Carlson, chairman of Silicon Valley-based high-tech forecaster Spectrum Economics.

"Most of the (bigger) tech companies in San Jose are getting most of their business from overseas, and they're just killing their European and Japanese competitors," Carlson said. San Jose's tech workers are also benefiting. According to a recent study by the AeA electronics trade group, San Jose-area tech workers make an average of \$144,800 a year, by far the most of any metropolitan area in the country. Nearby San Francisco ranked No. 2 at \$118,500. The city's tech sector has been helped by the dot-com crash wake-up call. That spurred city leaders to take some steps to ensure long-term economic health.

The city set policies designed to make it less tempting for San Jose's tech businesses to leave or to locate operations elsewhere, particularly as they mature into global players, says Reed. "Our tech companies are growing around the world, and they have choices about where they put their businesses and their people," Reed said. "There are a series of things we've done to make sure that when they're making a decision, San Jose is at the top of their list."

The city's actions have helped convince companies such as Brocade Communications Systems, (BRCD) Nanosolar and Samsung Electronics to expand their operations in San Jose rather than elsewhere.

The city even handed over options to buy 14 acres of land near San Jose International Airport to eBay (EBAY) after the online auction giant acquired PayPal in 2003. That move helped prevent eBay from seeking a site elsewhere for PayPal's expansion.

San Jose's biggest step might have been to pass its North San Jose Vision 2030 general plan for the area of northern San Jose known as the Golden Triangle, which is home to Cisco Systems (CSCO) and many tech companies. That plan encourages hipper, more urban settings by removing the development restrictions that resulted in sprawling, single-story business parks in favor of a mix of commercial, residential and retail — all with enhanced transit alternatives.

By loosening development policies in the north end of San Jose, the city hopes to give companies an attractive locale for headquarters or other operations. But it comes at a cost. To get building permits in the area, developers must pay a one-time fee of \$11.14 per square foot, rising to \$11.89 on July 1, 2009. The fee rises 3.3% every other year. The city hopes the special assessment will provide some \$500 million for transportation improvements in the area, such as street widening and overpass construction.

"It was clear that our policy was outdated, that the future of Silicon Valley was going to be in taller buildings, and that not all companies wanted to be downtown," Reed said.

City leaders hope that over the next two decades, the revised plan will help convert the Golden Triangle into a high-tech haven filled with corporate high-rises, tens of thousands of residential units of all types, and plenty of retail to support both.

BEA Headquarters Plan Dies

Optimism about the North San Jose plan is one reason city leaders didn't panic when Oracle (ORCL) recently revealed that it would sell a prominent but empty high-rise in downtown San Jose that was slated to be the new headquarters of BEA Systems. Oracle bought BEA earlier this year.

Besides, says the city's chief development officer, Paul Krutko, BEA's move would have been a case of robbing Peter to pay Paul. "BEA would have been emptying its facility in North San Jose (to move downtown)," he said.

Also looming in San Jose's near future is a half-completed \$1.5 billion expansion of San Jose International Airport, funded by a combination of airport revenue bonds, bank loans and a portion of airport revenue. The project will give tech companies more travel options. The airport is minutes from downtown and the Golden Triangle.

"It's pretty easy to explain to these folks that if you only have to go five minutes to get in and out of the airport, that's a big selling point," Reed said.

San Jose took other steps to make its high-tech business environment friendlier. In 2002, it started what it calls its Special Tenant Improvement program. At its heart, the program established teams of city workers who handle approvals for various aspects of a development project, with the intent of expediting permitting.

Then, two years ago, it introduced its Industrial Tool Installation program, which streamlined permits for equipment including photovoltaic systems and mechanical conditioning systems, which often come from overseas and thus don't always comply with local rules and regulations. The program helps to make sure such gear doesn't get hung up in the permitting process. Since the program was introduced in September 2006, the city says it has approved 132 permits for \$21 million worth of tool and system installations.

Reed says that rather than hitting the recruitment trail in an effort to bring more tech companies to San Jose, the city's efforts will center on holding onto the tech companies it already has.

"There's so much happening here in my own backyard," he said, "that I'm focused on making sure the companies we have here stay here and grow here."

New PV Test Lab Could Help Speed Product Pipeline

<http://www.greenbiz.com/news/2008/07/16/new-facility>

GreenBiz.com, Tilde Herrera

July 16, 2008

Web Circulation: 748



The continent's largest photovoltaic (PV) testing and certification facility opened its doors in San Jose Monday in a development that promises to help solar products reach the market faster and accelerate growth of green collar jobs in the region.

The 20,000 square-foot Photovoltaic Technology Center of Excellence from Underwriters Laboratories (UL) will loosen a bottleneck that has stymied solar technology manufacturers, which must sometimes wait up to a year to have their products tested for performance, safety and reliability.

"You have great technologies that are sitting on shelves because there are not enough facilities out there to test them," Collin O'Mara, San Jose's clean tech policy strategist, told GreenBiz.com Tuesday.

In the U.S., PV modules must earn certification for standards developed by Illinois-based UL. The nearest solar testing and certification facility is located in Arizona. The new facility, capable of testing 120 solar products annually, could conduct the tests in as little as three months.

Testing is a critical point in a solar technology product's journey from conception to market, O'Mara said. After research and development, a prototype of the PV module is created and tested to ensure it can withstand worst-case scenarios, such as extreme weather events. After being validated by a third party, the product is ready for the manufacturing stage, which often requires additional staff. O'Mara pointed to Nanosolar as an example, which took on between 100 and 150 new employees once its product passed the testing stage.

UL, a member of the SolarTech partnership, also wants to assist manufacturers at the beginning of the product design phase.

"We want to sit down with manufacturers as they're sourcing materials and initially designing products to help them better understand the potential certification impact of their decisions," said Bill Colavecchio, vice president and general manager of UL's industrial products sector.

The testing facility meshes well with San Jose's green endeavors. Mayor Chuck Reed's vision for the city includes creating 25,000 clean tech jobs during the next 15 years to make it the world center of clean tech innovation. As many as 25 solar industry companies now call San Jose home, with another 60 or so dotted across the greater Silicon Valley region, O'Mara said. The lion's share of those companies are involved in R&D and production, with the remaining focused on installations.

SOLAR POWER: Calif. testing facility aims to ease backlog in industry's backyard

<http://www.eenews.net/search?keyword=underwriters+laboratories>

Debra Kahn, ClimateWire

July 15, 2008

Web Circulation: 6,667

SAN JOSE, Calif. -- The opening of what will be North America's largest certification facility for solar panels is aimed at eliminating up to year-long backlogs that are keeping photovoltaic products from entering the marketplace, industry and government officials said yesterday. Underwriters Laboratories, one of the country's largest product safety laboratories, announced the multimillion-dollar facility alongside officials from San Jose, the state of California and industry group SolarTech, a consortium of Silicon Valley solar companies and utilities.

UL's main business is in certifying electronics, using safety standards developed through a stakeholder process. With the new facility, it will expand its solar certification program to include small-scale, distributed generation components, concentrators and building-integrated systems, in addition to conventional crystalline silicon and thin-film panels and modules, which it already certifies at its Arizona State University facility.

There are about 80 solar companies in Silicon Valley, and many of them are feeling the pinch of inadequate testing facilities, they said yesterday. While testing of solar components generally takes three months, the dearth of laboratories means worldwide testing times are averaging six to nine months, according to Bill Colavecchio, vice president of UL's industrial products sector. "There is a severe lack of testing facilities, and they're not located near the predominance of solar module manufacturers," said Tom McCalmont, chairman of SolarTech and chief executive of REgrid Power. Industry officials praised San Jose's speed in permitting the facility and easing roadblocks to construction.

"Getting these facilities up and running at a fast speed is the best incentive we can provide," said Collin O'Mara of San Jose's Office of Economic Development. From conception to completion, the process took less than a year -- UL and SolarTech signed a memorandum of understanding last November, the building received its permits in May, and UL will begin testing products by August 1. UL even ordered equipment before the final site had been selected, McCalmont said.

UL is also planning to open a testing facility in Suzhou, China, by November. Both facilities will do research and development in addition to testing commercial-grade products. The San Jose laboratory will have a capacity of 120 tests per year, and the Suzhou facility will be able to perform 48 tests per year, with future expansions planned for both, UL said.

Calif. solar industry could grow 40% over last year -- report

California's solar incentives program is still boosting installations about as fast as predicted, according to a report released yesterday by the California Public Utilities Commission.

Since the California Solar Initiative began issuing rebates for investor-owned utilities in January 2007, the program has spurred the installation of 78.6 megawatts of solar capacity and could reach 100 MW by the end of this year. Almost 60 MW of the total installed capacity -- 75 percent - has come online since the beginning of this year, equal to the total capacity installed in all of 2006. There are another 186.4 MW of CSI-funded projects in the pipeline, although there has been a dropout rate of 17.8 percent, CPUC said.

Statewide, 208 MW has been installed from 2007 through the beginning of 2008, thanks in part to other programs like the California Energy Commission's New Solar Homes Partnership and incentives offered by municipal utilities. The statewide goal is 3,000 MW of new installed capacity by 2016, supported by \$3.3 billion in funding; CSI's goal is 1,750 MW by 2016 for investor-owned utilities.

Three thousand MW of installed power derived from the sun would be equivalent to the output of three large nuclear power plants.

CPUC attributed the continued demand partly to "the uncertainty around the continuation of federal tax credits," which expire at the end of the year and have not been renewed despite attempts in both houses of Congress.

San Jose lab will put solar panels to the test

[http://www.sfgate.com/cgi-](http://www.sfgate.com/cgi-bin/article.cgi?file=/c/a/2008/07/14/BUON11OVJB.DTL&%20type=printable)

[bin/article.cgi?file=/c/a/2008/07/14/BUON11OVJB.DTL&%20type=printable](http://www.sfgate.com/cgi-bin/article.cgi?file=/c/a/2008/07/14/BUON11OVJB.DTL&%20type=printable)

San Francisco Chronicle, Ilana DeBare

July 15, 2008

Print Circulation: 365,234
Web Circulation: 137,597

The solar panels get shot with marble-size pellets of ice traveling at 75 feet per second. They get sprayed with water. They get locked in a bank vault-size chamber and cycled through temperatures of 90 to minus-40 degrees Centigrade for 45 days. You could call it tough love for solar panels.

Or you could call it Underwriters Laboratories' new solar testing lab in San Jose, which opened Monday as the largest commercially focused photovoltaic test center in North America. UL executives joined city officials and solar industry leaders to start the center, which they said is a sign of the pre-eminence of Silicon Valley in America's growing solar power business.

"Locating in Silicon Valley enables UL to partner with this growing generation of solar startups," said Keith Williams, CEO of Underwriters Laboratories, a century-old independent safety certification organization whose seal of approval sits on everything from toasters to gasoline pumps. "If you're not in California, you're probably not in the solar business these days."

Solar power equipment firms - like most other manufacturing sectors - develop industrywide safety standards and then test their new products to ensure that they meet those standards. Until now, Bay Area solar producers had to send their products to out-of-state labs such as one at Arizona State University. But the rapid expansion of the clean-tech industry over the past several years resulted in long waits to get products tested and certified.

UL officials said the San Jose lab will be able to get test results to manufacturers in just three months, including those 45 days of extreme temperature tests and the simulated hail and rain tests.

And solar executives said they welcome the help in getting their wares to market faster. "As the solar industry has ramped up, there's been a huge bottleneck where it takes six months or sometimes longer for testing," said William Mulligan, vice president of SunPower Corp., a publicly traded solar firm from San Jose. "Now we're hoping it will be just two or three months." "We're psyched about this center since it will streamline the process," said Pedro Gonzalez, manager of testing for SoloPower, a thin-film photovoltaic startup in San Jose.

San Jose officials and SolarTech, a trade association, worked together to persuade Illinois' UL to open the 20,000-square-foot lab in the Bay Area.

Collin O'Mara, a clean-tech strategist for the city of San Jose, estimated that there are more than 50 companies doing solar power research and manufacturing in the Bay Area, with a combined workforce of about 10,000.

UL will also open a smaller solar testing facility this year in China. A nonprofit organization with total revenue of about \$900 million, UL currently does about \$15 million worth of solar testing. "We are trying to keep pace with the industry, and the industry is growing 15 to 30 percent each year," said Bill Colavecchio, vice president of UL's industrial products sector.

SJ: RIBBON CUTTING CEREMONY HELD FOR SOLAR PRODUCT TESTING CENTER
<http://cbs5.com/localwire/22.0.html?type=bcn&item=RIBBON-CUTTING-bagm->
CBS 5

July 14, 2008

Web Circulation: 14,079

SAN JOSE (BCN)

A ribbon cutting ceremony took place this morning in San Jose for the Underwriters Laboratories Photovoltaic Technology Center for Excellence that will increase the amount of renewable solar energy products that reach commercial markets.

Representatives from the laboratory as well as San Jose Mayor Chuck Reed and other solar company leaders attended the ceremony, according to the city. The 20,000-square-foot facility will be a state-of-the-art photovoltaic testing and certification facility. When opened it will be the largest facility of its kind in North America.

Underwriters Laboratories decided to build their testing facility in San Jose due to the large number of solar start-ups and other renewable energy companies in the region, according to the company.

San Jose city officials are excited by the company's move, because this could prove a template for how to be environmentally sustainable while providing economic opportunity and growth for the city.

Solar testing lab opens in San Jose

<http://abclocal.go.com/kgo/story?section=news/local&id=6264569>

STORY AIRED: 7/14 at 6:00 p.m.

July 14, 2008

Web Circulation: 12,183

A new facility opened in San Jose Monday that may speed up the development of renewable energy.

It is a 20,000 square-foot testing lab, designed to reduce a huge backlog in the testing of solar panels and photovoltaic cells.

The lab is the largest facility of its kind in the country and is run by Underwriters Laboratories, the people who certify the safety of things such as appliances and extension cords.

Solar Power

How Green Is the Valley?

<http://online.barrons.com/article/SB121581627886147295.html>

Barron's, ROBIN GOLDWYN BLUMENTHAL

July 14, 2008

Print Circulation: 60,938

Web Circulation: 17,112

IT MIGHT NOT HAVE REACHED THE NUMBER OF JOBS it had in the glory days before the dot-com boom went bust, but San Jose, unlike many other California communities, has had 45 consecutive months of job growth, and has made a good start to ensuring its future as a leader in alternative energy technology by attracting Underwriters Laboratories to its own backyard.

Monday, UL, an important product-safety and testing organization for the solar and other industries, will launch its own lab in the Silicon Valley capital. That should help shorten the certification process for photovoltaic cells by about one-third.

Putting the lab in San Jose seems like a natural for UL, given that half of all new solar companies created in the U.S. last year were based in Silicon Valley. Though solar-powered electricity represents less than 1% of the energy used in the U.S. for electricity production, the market has been growing like gangbusters, at a rapid 30%-50% a year for the past few years, says Bill Colavecchio, general manager for UL's global industrial products sector.

Winning the lab is a coup for San Jose's Mayor Chuck Reed, who last fall laid out his "green vision" economic development and environmental plan to spur clean-tech innovation and reduce the city's carbon footprint by more than half in the next 15 years. It also calls for creating 25,000 clean-tech jobs.

"Last year was a record for revenues and profits for the largest of the 150 publicly traded companies in San Jose," says Reed. Good thing they weren't in financials.

San Jose welcomes Underwriters Laboratories

<http://www.sustainableindustries.com/breakingnews/24196724.html>

Sustainable Industries, Amy Westervelt

July 9, 2008

Print Circulation: 292

Web Circulation: 8

SolarTech, a consortium of Silicon Valley-based solar companies that includes SunPower (Nasdaq: SPWR), REgrid, Pacific Gas & Electric (NYSE: PGE), Miasolé and SolFocus, joined together in 2006 to collectively push for policies and programs that would help to establish the region as a center for the solar industry in the United States.

Part of that push was to bring a testing facility to the area for solar panels. Currently, all photovoltaic panels installed in the U.S. and Canada must be certified according to standards set by Underwriters Laboratories (or "UL Listed"). But the only Underwriters Laboratories testing facility in the country is at Arizona State University, which has caused a massive bottleneck in the American photovoltaic market.

According to Solar Tech president and REgrid CEO Tom McCalmont, companies have had a six month to a year wait for testing over the last several years. That will change next week when Underwriters Laboratories opens its new 20,000-square-foot testing facility--the Photovoltaic Technology Center of Excellence--in San Jose.

In addition to testing for safety, Underwriters Laboratories test the efficiency of solar systems, which makes it all the more crucial to solar companies working to increase the efficiency of their systems. Last year, McCalmont told Sustainable Industries that customers and service providers should focus on the efficiency of panel systems rather than their size, which is what most incentive programs on the West Coast are based on, apart from Washington state, which has a unique efficiency-based incentive.

"If you were buying a car, you wouldn't look at how big the engine is, you'd look at how many miles to the gallon you get," McCalmont said in November 2007. "It's the same with solar; the size of the system is secondary to how much energy you're going to get out of it over time, because essentially the more you get, the less you paid for your system."

In addition to helping solar companies test and prove the efficiency and safety of their systems, the Photovoltaic Center of Excellence will help the city of San Jose achieve some of the goals laid out in its Green Vision planning document, which includes a number of aggressive goals the city hopes to achieve in order to distinguish itself as a cleantech hub. When fully operational the center will be the largest Underwriters Laboratories testing facility in North America.

In Silicon Valley, an economic rebound

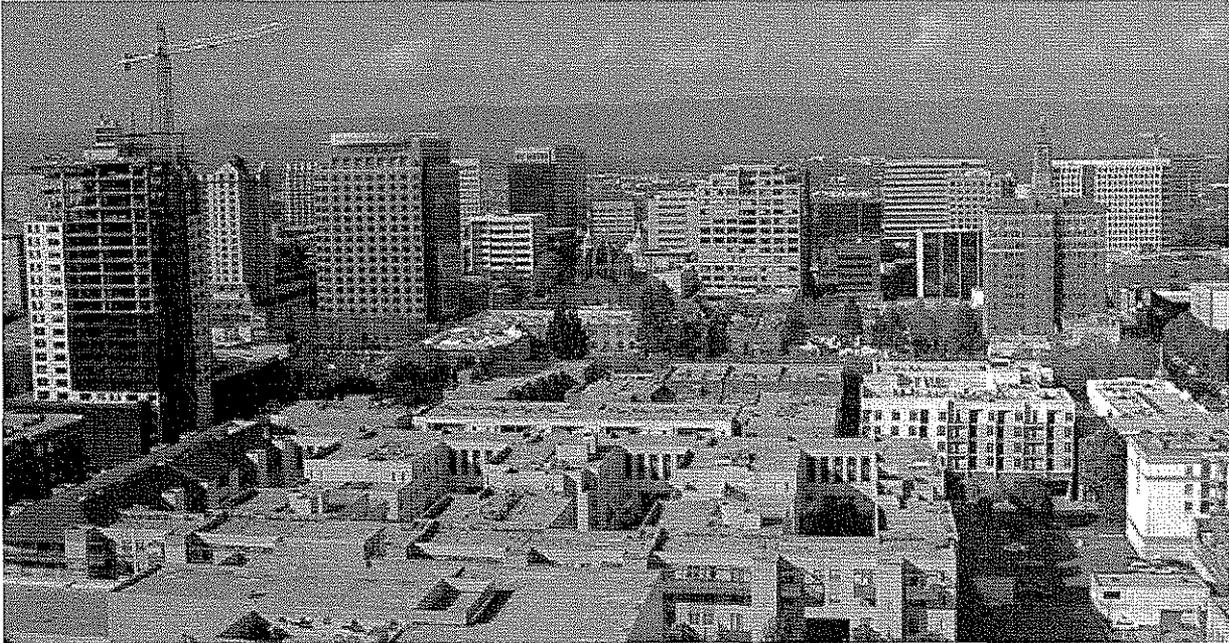
The innovation capital is prospering again, with more jobs and the nation's highest wages.

<http://features.csmonitor.com/innovation/2008/07/09/in-silicon-valley-an-economic-rebound/>

The Christian Science Monitor, Ben Arnoldy

July 9, 2008

Print Circulation: 56,083
Web Circulation: 30,892



Boom town: Silicon Valley's largest city, San Jose, is undergoing redevelopment in an effort to attract business. (AFP/Getty)

Reporter Ben Arnoldy discusses the role of the Plug and Play Tech Center in Silicon Valley. San Jose, Calif.

There's a place in the United States where factories are thriving under global free trade, pay is scaling record highs, and the housing market is sturdy as brick.

In Silicon Valley, the American Dream endures. The region has added thousands of jobs and recently overtaken Manhattan for the nation's highest weekly wages – even as Californian cities just 80 miles east form the glowing core of the real estate meltdown.

It's not that the tech hub is impervious to downturns: Just six years ago, its capital, San Jose, suffered the greatest loss of jobs of any major US city since the Great Depression. But as before, Silicon Valley has reinvented itself and rebounded.

The region's resilience holds lessons for the United States as the country faces stiffer global competition, say experts. Specifically, there's a future for high-tech manufacturing and exports in the US economy with the help of a weak dollar, strong education, and the embrace of immigration and change. Government can also help with the right incentives to speed up business deals.

"The Silicon Valley economy today is one of the healthiest that we've seen in a generation. The reason is that it's a diversified portfolio," says Russell Hancock, head of Joint Venture: Silicon Valley Network, a group that connects regional business and government leaders. "They call it Silicon Valley, but really that's a misnomer. We really should be called Innovation Valley."

The region grew 2.1 percent – not stratospheric, but easily outstripping the ailing US and California economies. San Jose added 11,700 jobs in the past year, a sign of reviving health after shedding 205,000 jobs between 2002 and 2004.

In the aftermath of that crash, dot-com companies hit upon social networking and christened it Web 2.0. Computer hardware firms pushed innovation to portable devices like iPhones, iPods, and GPS navigators. Internet services flourished, and the new fields of biotechnology and nanotechnology blossomed. So did "clean tech," an industry focused on renewable energy, particularly in markets like Germany, Japan, and California where government subsidized its adoption.

A clean-tech success story

The story of one clean-tech firm, Nanosolar, exemplifies how Silicon Valley bounced back. Two local Stanford PhD candidates formed the company in 2002. With help from the world's epicenter of venture capital located in nearby Menlo Park, they solved some of the technological hurdles in "thin film" solar energy.

Then the founders picked a place to headquarter their factory. San Jose won out because of the local talent pool, availability of industrial space, and the city government's help in moving things along quickly, says CEO Martin Roscheisen.

"It's truly phenomenal the way the city has streamlined administratively. Several of the key permitting items are literally 24 hour [turnarounds]," says Mr. Roscheisen, who says the wait times in other locations would be three to six months. "It means everything – being in business or not. We cannot possibly be stalled by permits in building our factory."

San Jose revamped its business outreach after the dot-com collapse. One key change, says Paul Krutko, the city's chief development officer, was the formation of teams from across city government who travel to businesses to approve permits. Since 2002, the program has permitted 9 million square feet of commercial space, housing almost 15,000 jobs.

"It cost the city about \$81 a job to make that happen," says Mr. Krutko. "We think that's a pretty good trade-off."

The weak dollar has benefited Nanosolar and the rest of the export-based economy of Silicon Valley. Nanosolar manufactures solar cells in the United States, paying wages in cheap dollars, then sells to Europe, which pays in higher-value Euros.

Rising living standards for high-skilled workers in India and China are also improving American worker competitiveness.

"High-tech manufacturing can be done as cost effectively in San Jose as in Shanghai or New Delhi – it's all based on skilled labor. The skilled people now cost about the same in either place. The gap has shrunk very rapidly," says Roscheisen.

The concentration of top talent here remains unparalleled, thanks in part to the region's welcoming of skilled immigrants. San Jose has the most diverse ethnic population of any US city, with only 39 percent of residents born in the US. Roughly two-thirds of innovative companies in San Jose have at least one foreign-born member of management, says Krutko.

Attracting innovators

The entrepreneurial ethos also draws talent. "It's great minds accepting failure as a part of the journey," says Saeed Amidi, president of the Plug and Play Tech Center in Sunnyvale. The center serves as a hotel for start-up companies, offering low-cost office space as well as introductions to Valley players.

"I was interviewing some startups yesterday. This guy says, 'I've been in 10 start-ups: two of them were semisuccessful, eight of them failed, and I'm starting my 11th one myself.' I personally think that is what allows Silicon Valley to come back," says Mr. Amidi.

Silicon Valley competes with other "brainwave economies" in the US, particularly Boston; Austin, Texas; and Raleigh, N.C. The latter two are currently growing at a faster clip, says Richard Carlson, chairman of Spectrum Economics, and they both offer a lower cost of living and nimbler governments. Roscheisen of Nanosolar says the Valley also suffers competitively from state taxes on manufacturing property – which not every state, and few countries, tax.

And not everyone here is doing well. A recent Silicon Valley Network report says there has been significant job loss in the mid-wage category, or those earning between \$30,000 to \$480,000. As a percentage of total jobs, this shrunk from 52 percent to 46 percent between 2002 and 2006. "We are becoming a Manhattan – this place where only the people on the very high end can afford to live," says Mr. Hancock, adding that "we need to figure out how every sector of the community can thrive."

How government can help

City governments here are trying to address some of the infrastructural weaknesses. San Jose has changed zoning regulations to quadruple the density of commercial development in order to free up land for housing. The changes have cleared the way for 32,000 housing units next to mass transit and job centers.

"Those housing decisions have allowed companies to continue to think they can expand here. It was getting to this point that you had to ask these highly paid people to either pay millions of dollars for a house or a long commute," says Steven Levy, an economist with the Center for the Continuing Study of the California Economy.

The new housing is a good start, says Mr. Carlson, but more is needed. "The mayor of San Jose could put 5,000 more people to work in six months by changing some housing rules," he says. San Jose's mayor, Chuck Reed, says development always faces resistance, so new housing must be done in a "politically palatable" fashion. He's met with more than 90 CEOs and listens carefully for ways the city can help – or just stand back.

"We are in a unique place in the world in Silicon Valley where a lot of times we just need to get out of the way and facilitate the growth that will happen," he says.

Building on sustainable resources

Construction materials, standards foster changes to the home, workplace

<http://www.azcentral.com/news/articles/2008/06/26/20080626sus-shelter0626.html>

Arizona Republic, Shaun McKinnon

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You can build a house with straw bales or bury it underground if you want sustainable shelter, but you don't have to.

One of the tenets of green building today is to construct a home or an office using sustainable materials and eco-friendly methods without sacrificing quality and livability.

Sustainable living has evolved from the rougher-edged structures and remote locations that once defined the movement. Green builders now produce sleek offices and updated homes that defy old conventions.

The evolution also has carved new niches in the economy and has begun to shift attention to broader ideals that embrace green community planning, creating a sustainable quality of life. That next step, infusing neighborhoods and cities with sustainable practices, will come more slowly as planning departments and elected officials grapple with change. But change is

occurring in a handful of cities around the country, signaling the start of a grander grass-roots movement.

Recycle more: The average household is estimated to use around 330 glass bottles and jars each year, but only about 30 percent of those are recycled.

Philip Beere wanted to build a home that would meet the strict sustainable standards set by the U.S. Green Building Council.

He moved to Phoenix more than six years ago from Portland, Ore., and started EcoFresh, a green cleaning company. He also earned a master's degree in business administration at Arizona State University and, along the way, developed his interest in green building and development. He considered starting the house from the ground up but then reasoned that remodeling an existing house met more fully the spirit of sustainable principles.

"My goal was not to make it a new home but to preserve the old," he said. "Why not make what we have new? Phoenix has good housing stock in desirable neighborhoods. There's no reason to go out to the edges to do something like this."

Beere bought the house, near Camelback Road and 32nd Street, and all but gutted it last year. He insulated the walls, exterior and interior, installed double-paned windows, sealed the ducts and vents to stop air leaks and bought efficient air handlers.

The floors are bamboo. The kitchen is fitted with recycled concrete countertops, a recycled glass backsplash and Energy Star appliances. The whole house has low-flow plumbing fixtures. He used natural-wool carpets in bedrooms, natural stone in bathrooms and paint with few toxic compounds.

His work paid off. He earned a gold certificate, the second-highest, under the building council's Leadership in Energy and Environmental Design, or LEED, programs. His was just the third LEED certification for a remodeled house in the United States and the first gold remodel in the West.

Beere wants to sell the house and try others, but he's not sure yet if the market has caught up to LEED standards, which increase costs. He also wants to set his work apart from businesses that profess sustainability but do little to change their actions, a practice known as greenwashing.

"The awareness of green is growing, but there is so much greenwashing going on," he said. "This has more to do with values, quality over quantity, living in smaller spaces, living healthier, breathing easier."

Plant a tree: It's good for the air and the land, shades your house and saves on cooling. Sustainable building started with pieces. Low-flush toilets. Higher-rated insulation. Double-paned windows. Energy-efficient appliances. Natural carpets and flooring. Homes turned green slowly as owners added the pieces.

The whole-building concept caught on first in commercial offices and spread quickly to the high-tech industry and then to college campuses, where sustainability has flourished.

Northern Arizona University earned a platinum LEED certificate, the highest awarded, for its Applied Research and Development building, constructed with recycled materials and fitted with computer-monitored environmental controls. Both Arizona State University and the University of Arizona now boast platinum LEED buildings.

Government buildings have started going green as much for the operational savings. Tempe is seeking a platinum rating for its new transportation center, which includes a rooftop garden and rainwater harvesting system.

A report by consultant SBI predicted the green building industry would grow from \$2.2 billion in activity two years ago to \$4.7 billion by 2011.

Shut the damper: Keeping the fireplace damper open when you're not using your fireplace is like keeping a 48-inch window wide open during the winter.

Some of the earliest customers of the Scottsdale green-building supply store a.k.a. Green were more interested in the living healthier and breathing easier side of sustainable living. They wanted natural products, items without the toxins that aggravate someone with severe allergies or chemical sensitivities.

Those customers helped the store survive at first, co-founder Mick Dalrymple said, and helped him and his business partner, Jeffery Frost, better understand the market and the movement. "We've seen the change, as environmental groups started refocusing efforts on market-based solutions and businesses realized they could make money in this area," Dalrymple said.

"For businesses, the bottom line is the bottom line. If you can eliminate toxins from your product, all of a sudden, you don't have government's regulations hanging over your head," he said. "You can reduce expenses."

a.k.a. Green sells eco-friendly flooring products, paints, wall coverings, cleaning products and water-efficient fixtures. In the middle of the showroom floor, a collection of dual-flush toilets forms a porcelain circle and visible straight up is the insulation made of recycled blue jeans. Frost said the products owe a debt to Rachel Carson, the marine biologist often seen as the mother of the modern environmental movement. She drew attention to the dangers of toxins like the now-banned pesticide DDT, and her book, *Silent Spring*, stands as a landmark in green history.

"Back in the '60s and '70s, there were warnings about the chemicals, and what's happening is that information is starting to come to fruition," Frost said. "It's taken us this long for people to finally start to listen."

Pay bills online: By some estimates, if all households in the U.S. paid their bills online and received electronic statements instead of paper, we'd save 18.5 million trees every year. Arizona lacks a model of sustainable living. A sustainable city offers residents walkable neighborhoods to reduce driving, amenities and policies that encourage efficient energy and water use.

Instead, Arizona's cities tend to sprawl outward, pushing residents away from jobs and entertainment. Cities have created strong water-conservation programs, but homeowners associations often thwart those efforts with requirements to plant winter lawns or install grass in areas where it's purely decorative. Until recently, HOAs could prohibit solar-energy panels. Phoenix, Tempe and Scottsdale have developed broad sustainable programs in recent years, and Maricopa County released its own blueprint this month, but they are still catching up to other cities.

Plant a garden: Gardens not only can save you money on food, but they also can help eliminate trips to the grocery store.

San Jose rolled out its Green Vision program last year, setting a series of ambitious sustainability goals:

- Create 25,000 clean tech jobs.
- Reduce per capita energy use by 50 percent.
- Replace all of its energy use with renewable sources.
- Divert 100 percent of the waste stream to recycling or energy production.

- Plant 100,000 new trees and build 100 miles of connected trails.

"These are huge economic opportunities," said Colin O'Mara, the city's clean tech policy strategist. "Energy is a huge market opportunity, so is transportation and green building, an opportunity not to create products but jobs."

If the city retrofits buildings to meet green standards, O'Mara said, jobs are created on site that can't be outsourced as so many were in the dot-com crash San Jose suffered.

"We want to make sure the opportunities help everyone," he said, "so environmentalism isn't just a movement for people who can afford it."

People who talk about sustainable growth these days tiptoe around the question of whether Arizona's housing slowdown will give the state a chance to catch up.

"We've seen what the future could be," said Pat Graham, state director of the Nature Conservancy, a conservation group that works on urban sustainability issues. "With the slowdown, we have a chance to get out ahead of that future. We can get on a sustainable course."

An initiative likely to appear on the Nov. 4 ballot to reform state trust land would help turn the ship, Graham said. The reforms could help reduce sprawl by giving the state Land Department more control over how land is sold and preserved.

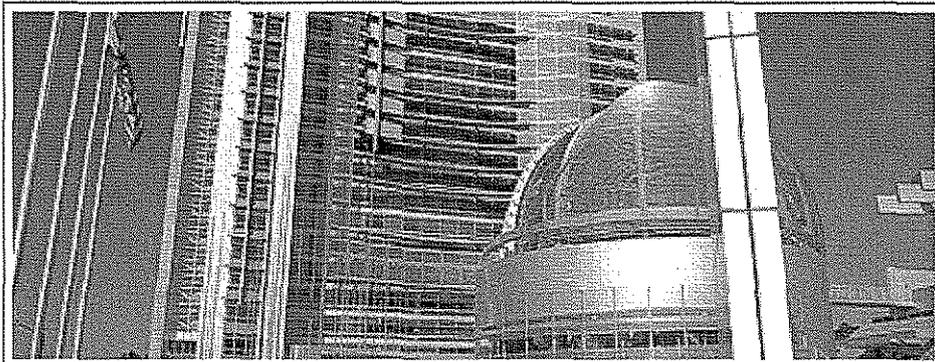
"If you reduce sprawl, that reduces the need for infrastructure and that reduces air pollution," he said. "Those are the kinds of solutions we need to strive for."

The conservancy has produced a map that outlines what Graham calls the state's natural infrastructure: its rivers, wilderness areas, sensitive habitats. The map gives planners a way to develop land without destroying the natural resources, and it wouldn't deprive builders of space to grow.

"Protecting natural resources does not preclude growth," Graham said. "We do have choices. We're probably the only species on the planet that sees sustainability as a choice. The others do it to survive. If they don't do things sustainably, they go extinct."

San Jose, CA Leading the Country in Sustainable City Living
<http://www.ecogeek.org/content/view/1790/>
EcoGeek.org, Jaymi Heimbuch
June 24, 2008

Web Circulation: 26,667



San Jose likes to be the center of innovation. You'd almost think the city craves it, considering the latest vision set forth by city officials. Last October, Mayor Chuck Reed announced San Jose's Green Vision, a quest to be a sustainable city thriving on 100% renewable energy and clean living. And they're looking to accomplish this through a set of 10 goals to be achieved by 2023.

Green Vision Goals

Within 15 years, the City of San José in tandem with its residents and businesses will:

1. Create 25,000 Clean Tech jobs as the World Center of Clean Tech Innovation
2. Reduce per capita energy use by 50 percent
3. Receive 100 percent of our electrical power from clean renewable sources
4. Build or retrofit 50 million square feet of green buildings
5. Divert 100 percent of the waste from our landfill and convert waste to energy
6. Recycle or beneficially reuse 100 percent of our wastewater (100 million gallons per day)
7. Adopt a General Plan with measurable standards for sustainable development
8. Ensure that 100 percent of public fleet vehicles run on alternative fuels
9. Plant 100,000 new trees and replace 100 percent of our streetlights with smart, zero-emission lighting
10. Create 100 miles of interconnected trails

At first glance, these objectives make it look like San Jose is taking one of those publicity dives in which lofty goals are set and somewhat worked towards, but at each annual review the due dates are pushed farther and farther back. However, after reading the Green Vision plan and learning more about what San Jose has already accomplished, it seems that the city is truly going to be a mover and shaker in making sustainability not just a reality, but the norm among Americans. Colin O'Mara, Clean Technology Officer, took the time to talk with me more about the Green Vision, and after our conversation, I'm more excited than ever to live a short 3 hours from what is possibly going to be the historic city where global warming shifted from "eminent doom" to "that scary thing that almost happened, but we learned better just in time."

To be 100% sustainable and clean, a city needs both the physical infrastructure and policy infrastructure. The whole picture needs to be analyzed and planned for so that when the technology arrives, foundations and regulations are already in place. That is mainly the part of the process San Jose is working on right now. For instance, the city is currently demonstrating to the state of California that LED streetlamps are needed and work, so that the state will change its policy of not allowing LED lights to be used in streetlamps.

Additionally, San Jose wants to be able to utilize areas like landfills for generating energy which can then be credited to their account, something not currently allowed, so the city is trying to get that policy changed as well. The city is also analyzing what alternative energy solutions are best for different scenarios so that they pick the most effective way-ahead. In the solar sector, they're assessing what areas of the city work best for the different types of solar, including PV, thin-film, and concentrated.

They're researching biosolid energy transformation and trying to figure out if it is more efficient to create fuel or electricity out of waste. The city is already talking to several companies that specialize in trash-to-tank technology. Much research and careful planning is going on, which is a solid sign that San Jose is intensely serious about these goals and that a successful end result is most important.

So, why the 15 year timeframe? O'Mara said that the timeframe is based on historical cycles of developing and integrating technology in the Silicon Valley. It takes between 5 and 10 years to get a product developed, tested and finalized, and another 5 to 10 years to see that product fully integrated into the public. This puts their 15 year timeframe right in the middle of that cycle. And while San Jose is just getting started, they're already seeing areas in which they're ahead of schedule, thanks to rapid advancements in sustainable energy technology.

And the city isn't planning on going it alone – they recognize that companies in the green tech industry have to pull their weight. Demanding companies provide what people need has already proven an effective method for making headway on these goals. At the kick off of the last Clean Tech Open, Mayor Reed challenged solar companies to create zero-cost-down solar systems so that residents can see immediate savings on a new rooftop solar system. After 60 days, seven companies came back with plans. Seven companies (!!) illustrated that if the financing is done correctly, it is possible for anyone, not just rich folks, to be able to install solar systems and see an immediate savings on their power bill. O'Mara clarified that, especially in San Jose, the foundation for sustainability already exists – the knowledge, the products, and the demand. So now, achieving sustainability will come from cities insisting that companies create what is needed by the public in order to live sustainably.

I asked O'Mara about how they came up with the number of 25,000 new jobs created through this endeavor. O'Mara said that San Jose wants to make these goals achieved through local resources. Therefore not only are bay-area research and development positions filled, but so are manufacturing and production positions, boosting the local economy and strengthening local businesses. Three broad areas are the focus: renewable energy, green building, and transportation. Ponder for a moment the massive listing of jobs needed in those three areas, from the science to the creation to the dissemination and installation of new technology. If the city is concentrating on achieving goals specifically through local means, then 25,000 new jobs seems like a highly attainable number.

Going further on the impact of this project on the economy, O'Mara put into focus the bigger picture. When looking at the domino effect of San Jose's success on other major cities, we're looking at a rebuilding of the middle class. San Jose's success can bring forth the launch of similar programs across the US. With the demand for sustainable products and energy sources comes the need for green collar jobs – those jobs in manufacturing, installation and maintenance of sustainable products and processes – which will begin to pay as well as the research and development positions. From installing new solar panels to retrofitting urban buildings, the list of potential job openings seems endless. San Jose is looking to prove both that living green is not only possible, but it is also profitable.

When San Jose's green goals were first announced, experts were quick to note that the list smacked of pie-in-the-sky notions and posturing. But looking at all the advancements we've seen since just last October in waste-to-fuel, solar, urban wind, hybrid and alternative fuel cars, traffic solutions and more, these experts may well be tasting shoe leather right about now.

I will be following up with the progress of San Jose's Green Vision and posting on it as new advancements occur.

ThoughtLeader Thursday: Paul Krutko Implements San Jose's Anti-Bubble Strategy
http://www.siliconvalleywatcher.com/mt/archives/2008/06/thoughtleader_t_2.php
SiliconValleyWatcher.com, Tom Foremski
June 19, 2008

Web Circulation: 47

[Interview with Paul Krutko - San Jose's Chief Development Officer.]

When the dotcom dotbomb burst in 2001, San Jose lost 225,000 jobs over a two year period--it was a disaster, it was a larger loss of jobs than for any other US metropolitan area since the Great Depression.

Now as the economy recovers, the city of San Jose is being proactive in helping its businesses succeed in the global economy, and also to create a diversity of economies to balance out boom and bust cycles in different markets.

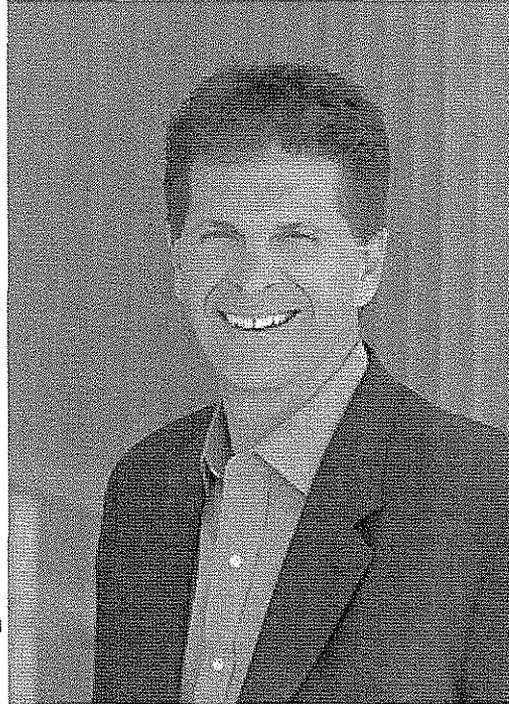
Paul Krutko is the architect of San Jose's strategy, working with mayor Chuck Reed to implement a broad number of changes: in how permits are granted, to building incubators for green technologies, and helping San Jose become the "greenest city" in the US through innovative housing and transportation policies.

So far so good . . .

I spoke with Mr Krutko earlier this week and asked him about the Silicon Valley economy and if there were any signs of a recession.

"San Jose represents about 60 per cent of all Silicon Valley jobs so we see trends first. So far, we don't seem to be impacted by the recession, our unemployment rate is low, 5.2 per cent, a full point below the California average," said Mr Krutko.

Since 2003, San Jose has steadily been gaining jobs, about 55 thousand, and 11,700 in 2007. Although the number is still well below the number of lost jobs, "the graph shows a steady and consistent increase which is what we like to see."



A key focus for San Jose is to make sure that its largest companies are well supported and that the smallest companies have a place to grow such as in one of San Jose's incubators.

To help growing companies, San Jose has made it easier to gather the permits for expansion. Instead of running around to several different agencies to get the permits needed, San Jose has instituted a program where in just one meeting, companies can meet with representatives of all the agencies and get permit approval in as little as a few hours.

This program has helped speed approval of about 9.1m square feet of office space, representing 15 thousand jobs, and equivalent to twenty seven 17 storey buildings (San Jose's height limit). Similar speedy permit pre-approval has been applied to production equipment from which the city earns a property tax.

Shortening the commute . . .

With higher gas prices local businesses have sought to bring down the long commutes for their staff. San Jose has now changed some of the zoning restrictions for property that is close to the light rail corridor.

Businesses were only allowed to build on 35 per cent of their acreage. "We now allow businesses to build as much as 135 per cent of their acreage, so we have a taller and denser footprint along the light rail corridor. We also have approved 32,000 residential units so that people can live closer to work," said Mr Krutko. About 3 million square feet of 29m square feet of new office space has been built, and 8 thousand residential units have been built so far.

Eggs in many baskets . . .

Green is an important focus and the city has an ambitious plan to be off the grid by 2025. Green and clean energy incubators are a way that San Jose seeks to diversify its economy. "San Jose

has traditionally more focused on hardware, now we are building clean and green tech businesses and also in the biosciences to try and increase our economic diversity."

San Jose was recently chosen as the site for the largest solar testing and certification facility by Underwriters Laboratories, which should help attract more solar businesses to the area.

Newer airport . . .

San Jose is spending \$1.5 billion on its airport expansion to accommodate an expected population increase of about 325 thousand in the next 25 years. "The airport will have sophisticated security measures built-in rather than added afterwards. It is the first major airport expansion since 9/11."

Ethnic diversity . . .

San Jose is the most ethnically diverse metropolitan area in the US if you count the Asian and Hispanic populations - more than Los Angeles or Miami. About 39 per cent of its population is foreign born. It has the largest Vietnamese population in the US and this also creates large economies that service those populations. San Jose says that there are 50 languages spoken in the city [that might help establish call centers serving multiple markets].

Competition . . .

"We get a lot of delegations from other states coming here to make presentations to some of our largest companies so we need to be competitive. We can't compete on housing costs, etc, but we can on productivity, which is twice higher than anywhere else in the US."

San Jose's firms such as Cisco are also opening operations elsewhere and abroad but this doesn't trouble Mr Krutko. "I was asked if I was bothered by Cisco opening up a large operation in India. I said I would be bothered if they weren't. We want healthy companies that can compete globally."

The future looks bright. "So far, knock on wood, we're feeling very bullish."

Additional Info:

San Jose has had a tough time keeping attracting businesses to its downtown area. The blog San Jose Revealed has a couple of interesting posts.

Paul Krutko bio:

Mr. Krutko has 28 years of experience in leading community and economic development; most notably in the cities of Cleveland, Ohio, Jacksonville, Florida and San Jose, California. He has been responsible for all aspects of development and revitalization programs including downtown initiatives. In San Jose, he has led the development and implementation of the city's Economic Development Strategy that includes 15 specific initiatives and over 100 distinct tactical projects. Significant accomplishments include 9M square feet of retention and expansion projects for headquarters facilities for eBay, BEA systems and Hitachi Global Storage and the purchase of 75 acres of the FMC Corporation for expansion of the Mineta San Jose International Airport. Most recently, he led the city of San Jose team that created the Vision 2030 Plan for the 4700 acre North San Jose area of the city, one of the preeminent innovation and technology districts in the world that currently houses 60,000 jobs, over 1200 companies and 42 M square feet of office-research development. This plan will intensify the development in this area by allowing for 28 M square feet of additional office-research development and 32,000 new housing units.

KGO News Radio

<http://www.kgoam810.com/>

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