

By Eugene F. Mallove, Sc.D.

“SuperPower, Inc.”

Since that strange afternoon announcement in Utah on March 23, 1989 life has become almost overwhelmingly exciting, but also exceedingly tough on pocketbook and home! Yes, money isn't everything, but it sure helps us carry out investigations of strange machines and it puts frontier research magazines in your mailboxes.

We could get rich these days if we had only a dollar for every request for information on the “best investment *right now* in cold fusion and new energy.” We'd love to be able to tell people, “Call up company ‘XYZ’ and they'll welcome you with open arms if you have \$1,000, \$5,000 or \$10,000 to invest.” Sadly, such opportunities do not yet exist. Many, many small investors are willing to put up money for cold fusion and new energy, but there is no place for that money.

While bemoaning that so little investment capital has flowed into cold fusion and new energy R&D in the U.S., we came up with an idea whose time has certainly come. “SuperPower, Inc.” (or call it what you will) — a kind of “mutual fund” for cold fusion and new energy technology, a capital pool for investing in a range of such technologies.

The idea for such a fund would be to spread the investment risk over a range of companies and processes into which investment capital from the fund would flow. For this fund to achieve significant early stage status in a range of key technologies, the target magnitude of the investment pool should be \$20 million to \$50 million. To aid the field and our continued

information dissemination efforts, the publishing company of this magazine, Cold Fusion Technology, intends to *help* launch such a fund. We have no financial or legal expertise in such matters, so we have called on those who do have it.

If such a capital pool could be launched, what would we get out of it? Lots more to write about, for one thing! We would also get sustaining funding for operations at our new 1,800 square foot publishing facility and laboratory at the Bow Technologies Center. Of course, we and our consultants would also like to receive a minor equity position in the fund in addition to paid consulting services. Let's see, one percent of a trillion dollars is...?

There is a great temptation to try to begin from scratch to evaluate the cold fusion and new energy opportunities. That will not work! This field requires the kind of advisory expertise and experience that people like ourselves, Hal Fox, and others in the field have built up over the years.

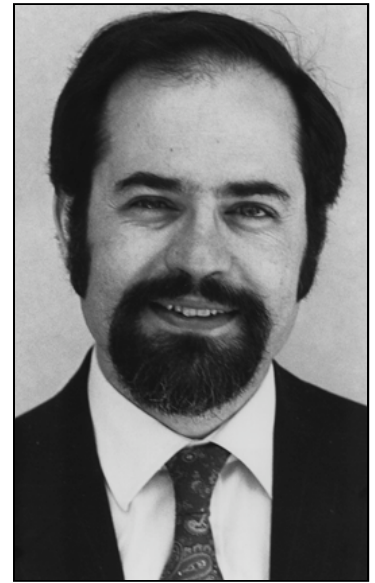
Furthermore, new and potentially better opportunities are arising quite frequently as the pace of our science and technology quickens. Due to our information gathering and distribution activities, we can act as an “early warning system.” We have just about the best chance of identifying new opportunities in cold fusion and new energy before anyone else hears about them.

Anyone today who picks a *single* investment opportunity in cold fusion and new energy and tries to invest in that company will at this stage run a high risk.

There needs to be *shared risk* among companies and among investors in a capital pool. For individual investors, the capital pool concept is, in our view, the only reasonably safe approach to investing in this field. At this stage, it is far from certain which horse or horses will win this technology commercialization race. When the fund to be formed is eventually traded publicly, there will be a rush to invest in that fund by those now unable to afford the hundreds of thousands or several millions of dollars needed right now.

In May 1991 when I completed *Fire from Ice*, I concluded that the evidence for the reality of nuclear-scale excess energy and nuclear products in “cold fusion” was “overwhelmingly compelling.” Now there is 100% certainty that we are dealing with a civilization-changing technology that will revolutionize the entire energy sector. We recently held a briefing in Cambridge, Massachusetts to substantiate that claim before several assembled potential “SuperPower, Inc.” investors and we received valuable feedback and some interest in moving forward. Give us some time. We don't give up easily—not on an idea *this* important.

Avid readers of *Infinite Energy* know that something even more remarkable than the confirmation of the original 1989 claims by Drs. Pons and Fleischmann has already occurred. Every year since then, the field has yielded new findings and potential technologies that make this energy easier to obtain. For example, we now have several U.S. corporations working on systems that



do not require the heavy water/palladium system pioneered by Drs. Pons and Fleischmann. They use ordinary water and nickel electrodes. There are now several groups that do not even employ liquid electrolysis, but rather ordinary hydrogen gas in contact with special substrates that produce very high temperatures—hundreds of degrees C, making the process much more suitable to near-term production of electricity.

Further-more, the power densities have gone up considerably. It is now clear that 1-10 kilowatts per cubic centimeter of substrate have been demonstrated by numerous groups. Prototype experiments that produce over one-kilowatt of thermal power have also been accomplished. At least one company with which we are familiar—HydroCatalysis Power Corporation— says it has a clear shot at producing a one-kilowatt electric generator within the next 18 months, based on these elevated temperatures and power densities. So fast moving is the field, however, that someone else could easily scoop them. We keep telling our colleagues at work in the various R&D companies: *there is a major premium for being first across the line.* As

we went to press we heard of two firms that will soon introduce demonstration unit cold fusion cells that you will be able to buy. We hope there will be an ad in IE #10 for those cells.

As though the above is not tempting enough for potential investors to consider, we have the astounding development in parallel—incredible even to confirmed cold fusion pioneers like us—of patented electric gas discharge processes and exotic magnetic motors that produce more electrical or mechanical energy out than input electrical power. That there will be self-sustaining electrical generators is now nearly certain, based on our most recent investigations. Fortunately, there are some excellent theoretical formulations, published in peer-reviewed physics journals, that make this seemingly impossible technology believable; this has to do with the tapping of so-called Zero Point Energy of quantum vacuum fluctuations. Theories mean nothing, however, compared to the dramatic potential of the concrete data on these systems to begin to overturn the entire energy infrastructure, beginning in the next several years.

Last, but certainly not least of these excellent opportunities: irrefutable, replicated evidence has emerged in cold fusion experiments of the low energy transmutation of heavy elements. This means that looming on the technology horizon are both the remediation of nuclear waste (a near term multi-hundred billion-dollar industry) and, down the road, the possible low-energy production of precious metals.

We believe we are one of the most dynamic and well-informed groups in the world on all these technologies. We are ready to advise and help effect the disposition of investment resources into an appropriate mix. We recommend a balance of technologies that are near-term marketable (some of these ancillary items exist already) and ones that show promise of blossoming in three to five years.

In our view, there is a rapidly closing "window of opportunity" in this field. Seed money of perhaps \$2 million would be necessary to launch the proposed investment initiative. As additional resources in the range \$20 to \$50 million were obtained, this investment group could become a driving force in the cold fusion/new energy technology revolution. The revolution is coming! May we all learn to *do very well by doing good* in promoting clean, infinite energy.



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