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## Fueled for growth: Milwaukee firm plays major role in ethanol

The Business Journal of Milwaukee - by [Pete Millard](#)

Companies working in the ethanol industry are experiencing good times with even better times ahead.

A prime local example is Ethanol Technology Inc. on Milwaukee's northwest side. The firm has more than doubled the sales of its yeast and microbial products used in the alcohol fermentation process since the company was formed in 2004.

Ethanol Technology's growth mirrors the increase in ethanol fuel plants in the United States from 72 in 2004 to 136 today. In 2004, U.S. plants had the capacity to produce 3,100 million gallons of ethanol fuel, and today, domestic plants produce 7,229 million gallons of fuel.

"Frankly, there could be even more growth in the industry, but there aren't enough engineering firms and builders to keep pace with new plant demand," said Sam Schibly, operations director for Ethanol Technology's Milwaukee facility.

There are a half-dozen ethanol production facilities in Wisconsin with another three under development. All of the Wisconsin plants are receiving products and consulting services from Ethanol Technology.

When Ethanol Technology opened the Milwaukee office in 2004, it employed seven people. The company now has 24 employees at 6120 W. Douglas Ave., with plans to add four more employees in 2008, said Craig Pilgrim, global marketing and product development manager.

The majority of Ethanol Technology's products are sold to ethanol fuel producers, but the company also sells to the beverage alcohol market. Ethanol Technology specializes in the development, production and marketing of yeast, yeast nutrients and microbial control agents used during the conversion of sugar to ethanol.

"You cannot make alcohol, or ethanol, without having yeast available to convert glucose into alcohol via fermentation," said Pilgrim.

Ethanol Technology's parent company is Lallemand Inc., which is based in Montreal. Milwaukee was chosen as the office and distribution site for Ethanol Technology because of its central location in the middle of the United States and close proximity to many new ethanol production plants.

## **Ethanol specialists**

In addition to producing high-quality yeast products, Ethanol Technology has a cadre of ethanol-production specialists who work with the company's customers to provide technical and educational services.

"Since the ethanol industry is growing rapidly, more people are needed to operate plants properly and there is a gap in the number of people with knowledge and experience to operate plants," said Pilgrim.

In April 2006, Ethanol hired six employees to serve its expanding customer base. Three of the new hires have doctoral degrees in chemical engineering or related fields and two have master's degrees in chemistry.

Lallemand also operates the Ethanol Technology Institute that publishes "The Alcohol Textbook" and conducts an alcohol school in Europe and North America. In 2008, the company's one-week alcohol school will be held in Toulouse, France, and Montreal.

"Educating producers helps us not only in getting an advantage showing our expertise, but helping the industry produce ethanol more efficiently with a better understanding of the basic concepts," said Pilgrim.

John Didion, president of Didion Milling Co., Johnson Creek, is relying on Ethanol Technology experts for construction and production advice for a new \$100 million ethanol plant in Cambria. The new 50-million-gallon ethanol plant is different than most plants in the Midwest because it will use the byproducts of corn kernels as the ethanol feedstock that is converted to alcohol.

Didion Milling's primary business is grinding and milling corn into cereals and flour for food ingredients. Using corn byproducts for ethanol will help Didion Milling make complete use of the raw product.

"Most ethanol producers grind up the corn for alcohol, but we use only a fraction of the kernel and that requires a better understanding of the fermentation processes we're receiving from Ethanol Technology," said Didion.

Didion Milling's plant also is being designed to use ethanol feedstocks from biomass products like switch grass, wood chips and corn stover.

"When the time comes, we'll work with Ethanol Technology's research division to develop the right yeasts and enzymes for biomass ethanol," said Didion.

While corn is the main feedstock for ethanol production, demand for ethanol fuel will prompt some producers to use other grains or starch-based feedstocks. Anything that contains starch can be used for ethanol production, said Pilgrim.

With the passage of the U.S. Renewable Fuels Standards in Congress, more basic research will be required to develop the yeasts and microbial agents to meet the growing demand for biomass ethanol.

Ethanol Technology is working with researchers and professors at the University of Wisconsin-Madison College of Agriculture and Life Sciences and the U.S. Forest Products Laboratory in Madison to find answers.

"The future of our company looks bright thanks to the growth of the ethanol industry," said Pilgrim.