



## Rolls-Royce fuels Ohio's tech plans

**Jackson Twp. to be fuel-cell unit's U.S. base**

**By Paula Schleis**

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At the start of the millennium, a consortium of Ohio business, academic and political leaders decided the state would become the nation's leader in fuel-cell development.

They must be getting close.

Rolls-Royce plc, a global supplier of power systems based in England, is opening the U.S. headquarters of its fuel-cell subsidiary in Jackson Township.

The company hopes to market a micro turbine fuel cell by the end of the decade.

In locating in the area, Rolls-Royce joins several other alternative energy companies that have recently set down roots in Northeast Ohio:

- GrafTech International moved its world headquarters to Parma from Delaware last year.
- HydroGen Corp. moved its corporate headquarters to Cleveland from Jefferson Hills, Pa., last year, with plans to build a demonstration plant in the Ashtabula area within two years.
- Pemery Corp., an Alexandria, Va.-based company, won a Third Frontier grant from the Ohio Department of Development this year to design, build and test fuel cells for military applications in Painesville.
- ECD Ovonic of Rochester Hills, Mich. has announced its intention to develop fuel tanks for hydrogen-burning vehicles in the Akron area. CEO Stanford R. Ovshinsky is an Akron native.

As the latest addition to Ohio's growing fuel-cell scene, Rolls-Royce Fuel Cell Systems Inc. will operate on the campus of Stark State College of Technology, in the \$4 million state-funded Fuel Cell Prototyping Center completed last summer.

The company will share the building with SOFCo-EFS Holdings, a subsidiary of McDermott International that produces a critical component of the fuel cell that Rolls-Royce is developing. SOFCo is moving its 30 employees into the new center from Alliance.

SOFCo President Rodger McKain said Rolls-Royce executives spent two years considering where to place the subsidiary's U.S. headquarters. "It was a very thoughtful effort," McKain said.

In the end, Ohio's proximity to supply-chain partners, state support and the region's emerging reputation as the "fuel cell corridor" led them here, he said.

Fuel cells are battery-like devices being touted as a future power source for homes, autos and even pacemakers. They produce electricity and heat using hydrogen and oxygen. They don't burn fossil fuels, such as coal and oil, meaning they don't pollute the air.

They were first demonstrated in the 19th century, but until now they have been relatively large and expensive to manufacture, depriving them of real commercial applications. Since 2001, the Ohio Business Development Coalition and the state's Third Frontier grant program have provided financing, research, development, demonstration and training projects in the fuel-cell industry.

Thanks to Ohio's manufacturing background and skilled work force, it's one of the few places where all phases of fuel-cell development takes place, from research and development to component suppliers and final-product manufacturing.

With Rolls-Royce just getting settled in, it's too early to tell how many jobs will result from having the headquarters here, McKain said.

There will certainly be a chain reaction as the center "acts as a magnet for supply-chain partners who then come and work with Rolls-Royce," McKain said.

It also hasn't been decided where Rolls-Royce will manufacture its fuel cells.

Ken Alfred hopes they won't need to look far.

"They had an opportunity to locate anywhere in the world, and they chose Ohio," said Alfred, director of the Cleveland-based Ohio Fuel Cell Coalition, a statewide alliance of about 90 members from industry and academia formed in 2003.

"We hope there will be further expansion of their activity in Ohio," he said.

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