

CANADA VENTURE: Biorem Takes On New Markets

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Of DOW JONES NEWSWIRES

587 words

31 March 2010

11:00

Dow Jones News Service

DJ

English

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TORONTO (Dow Jones)--**Biorem** Inc. (BRM.V) is ridding the world of bad smells.

Okay, the targets are not your daughter's sneakers or your son's hockey bag. Think on a much larger scale.

Biorem's main market is wastewater-treatment facilities. "We take contaminated air into our filters. Inside the filter is media with a lot of surface area and we create the right sort of environment for bacteria to grow. (The bacteria) simply eat the pollutant" and leave a safe biomass that goes down the drain.

So says Peter Bruijns, the company's president and chief executive. He says **Biorem**'s products and systems have two advantages over conventional techniques -- they're less expensive and they don't generate greenhouse gases during the cleaning process. The technology used by **Biorem** was licensed from a European company.

Biorem has more than 600 installations, making it much different from a traditional venture company. "There is not a lot of risk in the technology, we know how to use it," Bruijns says.

Having achieved success in wastewater treatment, the company is now targeting two new market niches -- volatile organic compounds (VOCs) and methane emissions. It says the areas it will now pursue have a market size of more than C \$400 million annually in the U.S. alone, with "significant projected annual growth rates."

Bruijns says **Biorem** will go after the new markets "without losing any advantages in our core business."

He said VOCs are found in industries like surface coatings -- paints, automotive coatings, that sort of thing. This market has fairly easy channels to identify and "we can begin pursuing that with our basic sales infrastructure," he said.

In the methane market, **Biorem** will target landfills and sources of agricultural waste, which largely are municipal markets as with wastewater treatment. So the customers in this arena are ones with which it already has contact.

Biorem expects to sign contracts in both new market niches this year. Bruijns said the company continues to improve its technology in order to drive costs down.

The company had C\$2.9 million of cash on hand at Sept. 30. Bruijns said he's "satisfied with our capital resources to fund all of our needs." While the company frequently considers when it's opportune to raise money, there are no specific financing plans in the works.

He said **Biorem** expects to report 2009 revenue of C\$18-C\$20 million, which would be up 25-35% from the 2008 level. "We're cautiously optimistic" about 2010, Bruijns says, though he will only predict that 2010 revenue is expected to be higher than the 2009 level.

One of his objectives is to qualify and list on the TSX, but the timing depends on a number of factors.

On the TSX Venture Exchange Wednesday, the stock is trading at 87 Canadian cents, close to its 52-week high of 99 Canadian cents.

Web Site: <http://www.biorem.biz>[<http://www.biorem.biz>]

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