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**Stone Mountain Technologies Graduates Tennessee’s Energy Mentor Network**

The East Tennessee venture gained millions in investment and market advantage with mentorship program

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**KNOXVILLE, Tenn. –** The Energy Mentor Network is pleased to announce Stone Mountain Technologies Incorporated (SMTI) has graduated from its mentorship program, which cultivates energy entrepreneurship and startups in the Volunteer State.

The late-stage startup, based in Johnson City, Tennessee, has developed replacements for furnaces, boilers, and hot-water heaters that save 30-50% off heating costs for homeowners and light commercial building owners. For example, a “Heat Pump Furnace” can replace conventional furnaces with a well-proven thermodynamic process (the absorption cycle) that draws up to one-third of its energy from the outside air – even in the dead of winter. This makes it a true cold-climate heat pump (no need for backup) and an excellent solution for saving money and lowering environmental emissions. The process can be powered by natural gas, propane, heating oil, or even biofuels, making it globally applicable wherever warm buildings are needed.

The previously prohibitively expensive technology has been redesigned and configured by SMTI for a low-cost, highly scalable manufacturing platform, which gives existing HVAC manufacturers an opportunity for an innovative new product with a strong new competitive advantage. SMTI will manufacture the core “Thermal Compressor” part of the technology in Johnson City, serving aggregated global demand across many building heating products. In turn, the major manufacturers of HVAC products will purchase and then turn SMTI’s Thermal Compressor into final products that serve their existing markets and customers. In this way, SMTI leverages the strengths of the industry’s current sales and distribution networks; achieving the fastest path to large volumes.

The Energy Mentor Network exists to help Tennessee startups like SMTI succeed in the advanced energy marketplace. The intensive, structured program pairs promising new companies with experienced mentors and guides them through the development of strategic business, marketing, and financial plans. Companies must complete a series of milestones involving panel presentations to graduate.

“Stone Mountain Technologies has worked to harness the potential of its innovative gas absorption technology and is on track to revolutionize the commercial and residential heating industry,” said Gary Rawlings, the entrepreneur-in-residence for SMTI. "The connections and coaching Stone Mountain has gained as part of the Energy Mentor Network is an invaluable asset as they enter the marketplace."

SMTI achieved substantial progress following its initial engagement with Energy Mentor Network in March 2017. The company secured an important Seed investment in early 2018 from a strategic investor who brings useful manufacturing expertise and other value to the venture. The investment enables SMTI to increase technology development velocity, smoothing its transition from R&D to manufacturing. The East Tennessee startup was also awarded a $2.7 million grant in August 2017 from the U.S. Department of Energy to accelerate, with an OEM partner, the commercialization of its residential furnace replacement.

In addition to Entrepreneur-in-Residence Gary Rawlings, who is a technology consultant for Oak Ridge National Laboratory’s Innovation Crossroads and entrepreneur-in-residence at Cumberland Emerging Technologies Life Sciences Center, the mentor team for SMTI included Ryan Stanton, head of strategic energy initiatives at the Tennessee Department of Environment and Conservation; Jonathan Patrick, founder of SouthFound Media; and Lynn Youngs, executive director of the University of Tennessee’s Anderson Center for Entrepreneurship and Innovation.

SMTI is the second startup to graduate from the Energy Mentor Network, run by the Tennessee Advanced Energy Business Council (TAEBC) in partnership with Launch Tennessee and first launched in 2016. The program’s first graduate was Solar Site Design, a Nashville-based venture that connects sales-ready commercial and industrial solar projects to top solar construction companies to drive down consumer acquisition costs. Seven other Tennessee-based startups are currently enrolled in the mentorship program.

Tennessee is emerging as a powerhouse in the growing $1.4 trillion global advanced energy market. TAEBC’s 2018 Advanced Energy Economic Impact Report found that advanced energy contributes $39.7 billion to the state’s GDP.  The industry employs nearly 360,000 Tennesseans and supports more than 18,170 businesses. Advanced energy is growing faster than the overall state economy, thanks in part to efforts like the Energy Mentor Network and its support for energy entrepreneurship.

**About the Energy Mentor Network**

The Energy Mentor Network is run by the Tennessee Advanced Energy Business Council in partnership with Launch Tennessee and is modeled after CONNECT San Diego’s 30+-year-old Springboard program. Each company or entrepreneur is matched with C-level executives who have deep experience in growing and scaling companies. The mentoring team is led by an Entrepreneur-in-Residence who coaches and guides each company through the Energy Mentor Network for three to nine months. The Energy Mentor Network has more than two dozen mentors with expertise in energy systems, clean tech, intellectual property, business and finance strategy.

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