

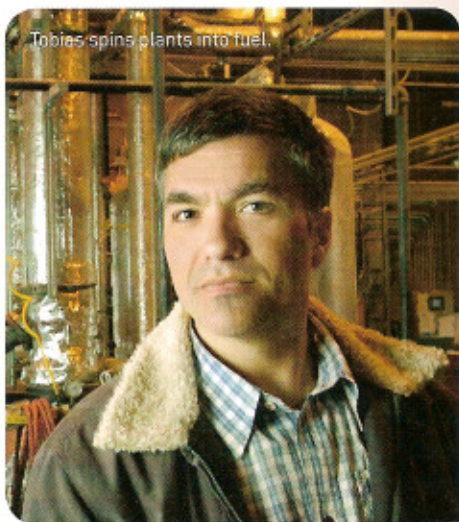
## Soy Story

A biodiesel booster builds a fuel company for the future.

**M**artin Tobias is bummed. His trip to Spain to test-drive a speedy Neander diesel motorcycle has been delayed, a likely indicator it may never leave the showroom floor. "I need this bike," says Tobias, chairman and CEO of Seattle-based Imperium Renewables. For a self-professed "speed freak" and head of the West Coast's largest producer of biodiesel, the motorcycle has everything: speed and a diesel engine he can power with soybean oil.

Tobias has filled his tank with soybean oil for two years and now he's working to convince mainstream America to do the same. At Imperium Renewables' downtown headquarters, Tobias explains how he plans to convince everyone from SUV-driving soccer moms to sports-car loving yuppies to switch to plant-based fuel. The strategy: Appeal to their pocketbooks instead of their environmental consciousness. "I'm not going to ask people to pay more for a lesser product. Our goal is to make a gallon of biodiesel cheaper than a gallon of [petroleum] diesel," says the 42-year-old Seattle native. Tobias had achieved his goal, at least temporarily, when biodiesel prices in Seattle hit \$2.99 per gallon compared with \$3.32 a gallon for diesel in mid-May. Much like big-oil executives, Tobias is more interested in biodiesel's profits than in its environmental consequences. "I'm so not a tree hugger," he says. "I saw the economic opportunity in biodiesel. If I can make a profit by doing something good for the environment, so be it. But that's not the main reason I'm in this industry." What attracted Tobias to biodiesel was the drive to solve the nation's next big problem and the potential to challenge oil companies' dominance in the energy market using technology advancements. "I like investing in something new that changes the market," says Tobias. "I wouldn't be in this business if I didn't think I could make a major change."

Until two years ago, Tobias was making major changes in the software industry.



Tobias spins plants into fuel.



Separator vat



Refinery south of downtown

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After working for Accenture and Microsoft in the early days of the tech boom, he started Seattle digital music company Loudeye Technologies in 1997. Loudeye went public three years later and, in 2002, Tobias joined local venture capital firm Ignition Partners. Then one day while listening to a company's pitch, Tobias's head was suddenly filled with the epiphany-inducing song "Once in a Lifetime" by the Talking Heads. "I decided I couldn't listen to another company tell me they were going to be the next Google or the next Microsoft," he says.

Tobias canceled all his meetings and started researching energy investments, which lead him to John Plaza. Plaza had cashed in his 401(k) and mortgaged his house to create Seattle Biodiesel last year. The time for biodiesel was right. Energy companies were maintaining the status quo, consumers were frustrated with high

gas prices, and politicians were pushing incentives for alternative energy. So Tobias, a Republican technology geek, left the software industry and linked arms with Washington's environmentalists to build a fuel company for the future.

Many credit Tobias with jump-starting Washington's biodiesel industry by pushing for legislation requiring dealers to sell alternative fuels: 2 percent biodiesel out of total diesel sales and 2 percent ethanol out of total gasoline sales. "I don't think that it would have happened without Martin and the involvement of Seattle Biodiesel," said Sarah Jaynes, former campaign director for environmental nonprofit Climate Solutions in Olympia. "He helped fund-raise, met with the governor, and testified before the Legislature." Other states such as California are jumping on the renewable fuels bandwagon and considering passing similar legislation. Tobias is already eyeing additional national and international markets and ramping up production with construction of a \$40 million refinery on the Olympic Peninsula in Grays Harbor. The new plant will be the largest of its kind in the nation and pump out 100 million gallons annually to meet growing demand. "We want to be the future Exxon," he says. 🌻