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XL Hybrids gets \$3M debt round from WindSail Capital



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Boston-based XL Hybrids, which offers a hybrid electric powertrain which can be installed in existing commercial fleet vehicles, said Wednesday it's raised \$3 million from WindSail Capital Group, described as a pre-Series C debt financing round.

The funding follows customer news including a June announcement that FedEx Express, a unit of FedEx Corp., would use XL Hybrids technology to convert 10 vans into hybrid vehicles.

For Boston-based WindSail, which lends to clean energy-related businesses in need of growth financing, the deal is the first since the firm disclosed raising \$20.4 million for its first dedicated fund late last month. WindSail is managed by former Massachusetts energy and environmental secretary Ian Bowles and Michael Rand, previously a managing director of GB Merchant Partners in Boston.

The debt funding will allow XL Hybrids to increase production and sales of its hybrid systems to thousands of units next year, president Tod Hynes said in a news release.

XL Hybrids said it expects to raise a Series C equity round in 2014. The company had announced raising a \$4 million Series B equity round in March, and said in the announcement Wednesday that the Series B round ended up totaling \$6 million.

That brings the company to a total of \$10 million in equity raised since its founding in 2008 by MIT alumni, including Hynes, who is a lecturer at MIT and co-founder of the MIT Clean Energy Prize. Previous investors have included the Massachusetts Green Energy Fund.

XL's hybrid electric powertrain promises to reduce fuel consumption by 20 percent. The technology, which targets class 1 to 3 commercial fleet vehicles, can be installed in both new and existing vehicles.



Courtesy | XL Hybrids

XL Hybrids, which offers a hybrid electric powertrain for commercial fleet vehicles, has raised a \$3 million debt round.