

E-cat business: Greek investors remain secret

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Ny Teknik has investigated the Greek company that supposedly will be the first in Europe to produce the 'energy catalyzer', invented by Andrea Rossi. The plan is to start production in 2012, but the investors are still secret.

(Swedish version [here](#)).

With the energy catalyzer – the device that seems to generate energy from an unknown nuclear reaction – the inventor Andrea Rossi is aiming to sell electricity for about one cent per kilowatt hour. It is as cheap as the cost of production for today's cheapest electricity – existing hydropower.

Furthermore heat energy from the energy catalyzer will supposedly cost only 0.3 cents per kilowatt hour.

Such an energy source could obviously change the energy market significantly. Ny Teknik therefore took a close look at the first known European manufacturer of the device, in Greece – Defkalion Green Technologies – where a pilot installation of one megawatt will be inaugurated in October 2011, according to Rossi.

The company stated that it is planning two factories, one of which should already be set up in the city of Xanthi, with a prospective total capacity of 300,000 'E-cat' units per year. Production start is planned for 2012 with a volume of about 40,000 units the first year.

The production units are supposedly aimed towards households and businesses, to be used for heating, cooling and power generation. No official information on pricing or specifications are yet available.

Defkalion estimates 125 employees at the plant in Xanthi and a total of 200 employees within the company in 2012.

Like Rossi's U.S. partner, the [company Ampenergo](#), Defkalion claims to have verified the function of the energy catalyzer.

'Yes, we have conducted and witnessed several tests on e-cat lab prototypes and have recorded favorable and encouraging results from the very first one. Several other industrial prototype-related tests have already been conducted and more are scheduled in the coming months,' Defkalion spokesman Symeon Tsalikoglou told Ny Teknik.

An agreement should grant Defkalion exclusive rights to produce energy catalyzers in Greece, Cyprus and the Balkans including Romania and Bulgaria, and first refusal rights to distribute them all over the world except in the USA and for military purposes.

In a report in the Italian news channel [Rai News in May 2011](#) Alexandros Xanthoulis, representing the owners, stated that the total investment required for covering Greece and the Balkans amounts to around EUR 200 million, but the identity of the investors remains unknown.

On the Defkalion board, Alexandros Xanthoulis formally represents a company called Praxen, [registered in Cyprus in December 2010](#). Having the company based in Cyprus, the identity of the investors can be kept secret by using a nominee shareholder.

According to Symeon Tsalikoglou the owners consist of a group of international investors, without government funding either from Greece or from other countries.

'The Greek government has been informed about the project and activities of Defkalion, but is not financially involved,' said Symeon Tsalikoglou.

The link to the government is Christos Stremmenos, vice president and member of the Defkalion board. He is a former Greek Ambassador to Italy and also [former professor in physical chemistry](#) at the University of Bologna, where he collaborated with Rossi's scientific advisor Professor Sergio Focardi from around 1990.

In a [recent article](#) on Andrea Rossi's website the Journal of Nuclear Physics, he describes how he believes that the physical process of the energy catalyzer can be explained. In the article he also refers to a test of October 2010, when the process supposedly was run without electric heating for over two hours.

Stremmenos told Ny Teknik that he is a personal friend of Greece's current Prime Minister George Papandreou since the resistance against the Greek military junta in the 70's and he confirmed that the government has been informed. Also Stremmenos said that Defkalion's ownership is private.

'Basically, 95 percent are private companies, but of course it is within our thoughts to enable also companies with public funding to participate,' said Stremmenos.

Regarding Defkalion's agreement with Rossi, Stremmenos said that it is provisionally signed, but that some clauses still must be met.

This was confirmed by Andrea Rossi's wife, Maddalena Pascucci who is a commerce graduate and manages the commercial part of the energy catalyzer. Formally, the agreement was made between Praxen and the Italian company EFA srl, of which she is principal owner.

'The contract can be defined by two basic steps. The first is an experimental test. If the test goes well, there will be an initial down payment. Thereafter, the principal payment of a greater economic impact will be done when the plant of one megawatt is delivered,' Pascucci said.

An issue regarding the agreements is how they depend on patents granted. In spite of a patent [recently being granted in Italy](#), many believe that the [international patent application](#) has significant weaknesses. According to Rossi, however, patents are not essential.

'The agreements are still valid since they are based on the technology and know-how, whether patents are granted or not. The customers have signed fully aware of the situation regarding patent rights,' Rossi said.

Another important agreement is with the University of Bologna regarding commissioned research into the energy catalyzer, valued at EUR 500,000. Also this agreement will formally be made with EFA srl. However, the agreement is still under negotiation.

EFA, in other words, plays a central role for the energy catalyzer in Europe. And the person with formal, decisive influence over the licensing of the technology is Maddalena Pascucci, with full control in the EU, a major influence in the U.S., owner of the Italian patent and also the holder of the international patent application for the rest of the world.

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READ MORE: Our complete coverage on Rossi's E-cat [can be found here](#).

FAKTA Companies and individuals involved in the E-cat

* **Andrea Rossi**, inventor of the energy catalyzer. [Doctor's degree in Philosophy](#) from the Università degli Studi di Milano (1975).
 Founder and owner of 50% of Leonardo Corporation (see below).
 Founder of the parallel operations EON srl in Italy, now sold (see below).
 Applicant for a [U.S. patent](#) for the energy catalyzer.

* **Maddalena Pascucci**, wife of Andrea Rossi.
 Business consultant with a degree in economics, majoring in law.
 Owner of 70% of the EFA srl (see below).
 Owner of 50% of Leonardo Corporation (see below).
 Holder of the [Italian patent](#) for the energy catalyzer.
 Applicant for an [international patent](#) (except U.S.) for the energy catalyzer.

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* **Defkalion Green Technologies**, Greece.

Holds exclusive rights to produce the energy catalyzer in Greece and Cyprus, and for distribution in these countries, plus the Balkan countries including Romania and Bulgaria. Defkalion is controlled by the company Praxen, registered in Cyprus (see below).
[Registered April, 2011](#).

Directors:

George Sortikos, born 1942 – Chairman
 George Xanthoulis, born in 1987 – Deputy Chairman
 Aurel David, born in 1969 – CEO
 Alexandros Xanthoulis, born 1954 – Board member, representative of Praxen
 Christos Stremmenos, born 1932 – Board Member
 Ioannis Hadjichristos, born 1958 – Board Member
 Andreas Meidanis, born 1953 – Board Member
 Mouafak Saouachni, born 1961 – Board Member
 Andreas Drougas, born 1945 – Board Member

* **Praxen Defkalion Green Technologies (Global) Ltd.**, Cyprus

The principal owner of Defkalion in Greece (see above).
 Officially based in Limassol, Cyprus.
 Defkalion's exclusive contract (see above) is formally signed by Praxen and the Italian company EFA srl (see below).
[Registered December, 2010](#).

* **Ampenergo**, USA.

Receives under a contract with Rossi's company Leonardo Corporation (see below) part of the royalties on all sales of licenses and products based on the energy catalyzer in North and South America.

[Founded](#) in April 2009 by Charles Norwood, Richard Noceti, Robert Gentile, and Craig Cassarino (read our interview with Cassarino [here](#)).

Note. Robert Gentile and Craig Cassarino founded around 1997 Leonardo Technologies Inc, LTI, along with Andrea Rossi, who later sold his stake.

* **EFA srl**, Italy

EFA has exclusive rights to manage licenses for the energy catalyzer in Europe.
 EFA is negotiating with the University of Bologna regarding commissioned research into the energy catalyzer under a contract worth EUR 500,000.

Principal owner (70%): Maddalena Pascucci (see above).
 Minority Owner: Among others the business consultant Giuliano Guandalini who confirmed that he helped Andrea Rossi to sell the company EON srl ~2008 (see below).

* **Leonardo Corporation**, USA

Basis for development and prototyping of the energy catalyzer. According to Rossi, the company has a factory in Miami, USA.
 Previous activities: Among other things, the development of thermocouples, and the diesel generators (gensets) powered with biofuel (parallel activity to EON srl, see below).

Founded by Andrea Rossi in April 1997 in New Hampshire, USA.

Owners: Andrea Rossi (50%), Maddalena Pascucci (50%).

(Not to be confused with Leonardo Technologies Inc, LTI, with Rossi as co-founder and former owner of 33%. The other founders of LTI are also founders of Ampenergo, see above).

* **EON srl**, Italy

Develops and sells diesel generators (gensets) powered with biofuel. Founded by Andrea Rossi in 2002 and sold ~2008 for about one million Euros. Business consultant Giuliano Guandalini, now a partner in the company, and minority owner of EFA srl, has confirmed to Ny Teknik that he assisted Rossi in selling EON.



Av: [Mats Lewan](#)
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