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Mascoma acquires SunOpta BioProcess for \$51M

LEBANON, N.H.

Mascoma Corp. is acquiring a division of Canada's SunOpta Inc. for \$51 million, hoping to pair the companies' biofuels expertise to more efficiently convert wood chips, crops and organic solid waste into ethanol.

Privately held Mascoma said Wednesday it has received all needed corporate approvals to acquire SunOpta BioProcess Inc., which will be operated as Mascoma Canada.

SunOpta said the transaction is valued at \$51 million in Mascoma common and preferred stock. The combined company will be about 73 percent owned by existing Mascoma shareholders, and about 18 percent by SunOpta, with the balance held by other shareholders of SunOpta BioProcess.

SunOpta BioProcess is a division of Brampton, Ontario-based SunOpta, a publicly traded maker of natural, organic and specialty foods. The SunOpta division specializes in fiber preparation and technologies to pretreat fibers that can eventually be converted into energy.

Lebanon, N.H.-based Mascoma has developed a method of converting nonfood biomass feedstocks into cellulosic ethanol. The company is producing cellulosic ethanol on a demonstration scale at a plant in Rome, N.Y., and an affiliate is developing a commercial-scale production facility in Kinross, Mich.

Shares of SunOpta rose 47 cents, or nearly 9 percent, to \$5.71 in afternoon trading.