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<http://www.businessweek.com/news/2010-03-29/bp-s-solar-retreat-signals-exodus-of-u-s-renewable-energy-jobs.html>

BP's Solar Retreat Signals Exodus of U.S. Renewable-Energy Jobs

March 29 (Bloomberg) -- BP Plc's decision to halt U.S. output of solar panels may help short-circuit President Barack Obama's plan to create thousands of jobs in renewable energy.

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Solar companies are ramping up manufacturing in Asia even as they take government incentive funds to hire in the U.S. Suntech Power Holdings Co., which got \$2.1 million to assemble panels at a 70-worker plant in Arizona, will employ 11,000 people in China to build components. Tempe, Arizona-based First Solar Inc. plans to do 71 percent of its manufacturing hiring in Malaysia after getting \$16.3 million in federal funding to hire 200 people at an Ohio plant.

"We're creating green jobs, for sure, but they're in China or Malaysia or India," Maryland State Senator Alex Mooney, a Republican whose district includes the shuttered BP factory, said today in a telephone interview. "We're losing these valuable manufacturing jobs, and that's a concern."

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The WilderHill Clean Energy Index of 54 companies in the renewable-energy sector has fallen 9.8 percent this year after a 29 percent increase in 2009. The best-performing solar company in the index is China's Renesola Ltd., which has advanced 19 percent this year.

Jeffrey Bencik, an analyst at Kaufman Brothers LP in New York, said BP's Maryland plant shutdown didn't dim his outlook for solar stocks, which he said are poised to rise as renewable-energy mandates

stoke demand for panels.

“It doesn’t rattle anyone because BP was always pretty small on the solar side and they were never cutting-edge technologically and they were relatively higher cost,” Bencik said. “Besides, it always seemed more of a public-relations business for BP than an area of emphasis.”

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Cutting losses in solar will have little impact on the investment community’s view of the company as a whole, said Iain Reid, an analyst at Macquarie Bank Ltd. in London.

“I take very little interest in BP’s solar,” said Reid, who has a “neutral” rating on BP shares. “Talk to someone who cares.”

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