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Environmental scientist creates stock indexes, fund for alternative-energy tracking, investment

By Emily Vizzo

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ENCINITAS – Welcome to Robert Wilder's house.

The two-story Encinitas home is powered by solar energy, framed by a compost-fed organic garden and insulated by clay-plastered walls. Four chickens lay eggs in a front-yard coop, overlooking a driveway that soon will house an all-electric luxury roadster. But Wilder's commitment to eco-friendly living extends beyond the driveway.

In 2004, Wilder started a stock index called the WilderHill Clean Energy Index, which tracks companies involved in alternative energy, including solar and wind power.

The PowerShares WilderHill Clean Energy Portfolio came soon after. While the index merely measures the stock performance of a group of companies – such as the Dow Jones Industrial Average or the S&P 500 – the portfolio is an exchange-traded fund the public can invest in, with returns tracking the performance of the index.

Wilder, 48, an environmental scientist, moved to California from Baltimore. He attended Occidental College in Los Angeles before transferring to the University of California Santa Barbara, where he earned a political science degree in 1982.

During the next decade, he earned a law degree from the University of San Diego and a doctorate in marine sciences and technology from UCSB. He then spent 13 years traveling, teaching and working in positions related to the environment in Fiji, Siberia, Hawaii, Massachusetts and other locations.

Wilder and his wife, Diana, eventually bought a house in Encinitas. Diana Wilder, 43, works at the Department of NanoEngineering at the University of California San Diego. They have two children, son Carson, 12, and daughter Sophia, 9.

Robert Wilder's index has its roots in a hydrogen fuel cell index begun

in 1999 by Josh Landess, an alternative-energy analyst. Wilder and Landess refined that index to create the WilderHill Clean Energy Index.

“In working with some environmental groups, I saw that they are often wedded to the idea of fighting against things,” Wilder said. “I wanted to fight for something. I wanted to do something good for the Earth. I cared about solar, wind, things that don't emit carbon.”

The fund began with \$10 million in initial assets from an Illinois-based investment group called PowerShares. Within the first year, Wilder's fund had traded more than \$100 million.

“People wanted to buy into it,” Wilder said. “People were saying, 'This is spectacular.' Obviously there was this pent-up demand of people who wanted to invest in clean power.”

A second index, WilderHill Progressive Energy, started tracking stocks related to carbon emission reductions in 2006.

A third index, WilderHill New Energy Global Innovation Index, started tracking clean-energy companies outside the United States in 2007.

“The index is useful in determining the performance of U.S., domestic-based companies that are in the alternative-energy space for that class as a whole, and it also provides a basis for the trading that PowerShares does based on that index,” said George Patterson, a director with the American Stock Exchange who helped Wilder create the index.

A seven-member advisory board helps Wilder make infrequent adjustments to the index's stock profile. From home, Wilder can monitor the fund's trading pace, about 1 million to 2 million shares daily, he said.

While the fund is up about 15 percent from a year ago, it has been volatile.

Since hitting almost \$29 in December, it has fallen back to trade at around \$20.

“I warn people, this index drops like a rock,” Wilder said. “It's a volatile area. We're up ... from last year, so people look at that and want to invest. But I'm like the anti-salesman. I make no bones about being a capitalist, but I want to make people aware that what they're buying is volatile.”