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IBM Dives Into Water Venture

Touting 'Smarter Planet,' Big Blue Pushes Technology to Manage Resources

By **WILLIAM M. BULKELEY**

International Business Machines Corp. is embarking on a new business venture in which it will help manage water resources, an attempt by the technology giant to further expand its footprint outside traditional computer services.

The new business, which is part of IBM's Big Green Innovations initiative to find markets in carbon management, alternative energy and water management, will design and install systems of sensors and back-end software to monitor water pipes, reservoirs, rivers and harbors, according to Sharon Nunes, who heads the Big Green venture.

IBM has been touting its ability to help create a "smarter planet" by designing systems to monitor physical world activities such as electricity flows and traffic patterns. "There's a lot of stress on water systems around the world. With a limited supply, you'd better be able to manage it," said Ms. Nunes. She estimates that information technology for water management could become a \$20 billion market.

Ms. Nunes said stimulus spending in the U.S. and China is likely to help build the market for water management. She estimated that in the U.S. between \$15 billion and \$20 billion of the new stimulus package is aimed at water projects.

But analysts are divided on whether there is actually a big business for IBM to capture. Stephen Stokes, an analyst at AMR Research of Boston, said he thinks the effort will be lucrative in areas like electrical grid monitoring, but pointed out that with water, "no matter how much metering you do, you can't stop the rain. Many vagaries are outside their control."

Michael LoCasio, of Boston technology research firm Lux Research, who also was briefed on the plans, said there are lots of ways computers could help monitor water, such as installing so-called smart meters to limit lawn-watering to night-time hours, or using sensors to detect leaks in pipes.

Ms. Nunes noted that water management is a big element of a €70 million (\$90 million) project IBM announced last month to install smart meters and control water usage for Ennemalta Corp. and Water Services Corp., the utilities on the water-short island of Malta. IBM is also working with researchers in Ireland to monitor water quality in Galway Bay.

In a related development, IBM researchers said they have created a new desalination-membrane technology that goes beyond current systems and removes arsenic and boron salts from contaminated ground water, making it safe for humans. Desalination membranes filter out salts, allowing clean water to pass through.

Robert Allen, a chemist at IBM's Almaden, Calif., lab said that his team found a way to put a polymer designed for immersive lithography -- a technique for making semiconductors -- into membranes that reject the toxic salts. He said arsenic contamination is a problem in some water supplies in Texas, Turkey, Bangladesh and China. IBM expects to license the technology rather than make desalination plants itself.

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