

From Dot-Com To Decarbonization

An Interview with Jim McDermott, Managing Partner, Rusheen Capital Management

EDITORS' NOTE Prior to co-founding Rusheen Capital Management, Jim McDermott started, invested in, and ran numerous companies, including US Renewables Group; Stamps.com, Inc.; Spoke Software, Inc.; Archive, Inc.; NanoH2O, Inc.; SolarReserve; Fulcrum Bioenergy, Inc.; Common Assets; SET Technology; and OH Energy, Inc. McDermott holds a BA degree in philosophy from Colorado College and an MBA from the Anderson School at UCLA.



Jim McDermott

FIRM BRIEF Rusheen Capital Management (RCM) is a Santa Monica, California based private equity firm that invests in growth-stage companies in the carbon capture and utilization, low-carbon energy, and water sustainability sectors. Focused on funding the “second industrial revolution,” RCM (rusheen.com) sees this as the most significant value creation opportunity of the 21st century. The firm is committed to advancing technologies and business models that promote resource efficiency and tackle the world’s most pressing environmental challenges. Rusheen partners with organizations such as the U.S. Department of Energy and leading traditional oil and gas companies, believing that collaboration across industries is key to solving the complex problems of the past and building a sustainable future.

Will you discuss your career journey?

I began my career as an investment banker in New York after college, but soon realized I wanted to focus on something with more long-term impact – specifically, the energy transition – which back then was called “Greentech,” so I moved to California. However, my path from there wasn’t as straightforward as I imagined. While earning my MBA, I took a detour into software, building several tech companies, including Stamps.com, which we took public. This experience taught me how to scale businesses and navigate innovation cycles.

In 2003, I launched US Renewables Group, one of the first private equity firms focused entirely on the renewable energy industry. Over the years, we invested in everything from wind and solar to clean fuels and energy storage. Then, a little under a decade ago, I co-founded RCM with Jeff Green to focus on investing in low-carbon technologies. We invest in growth-stage companies, technologies, and entrepreneurs in the carbon capture, low-carbon energy, and water sustainability sectors. To

date, we’ve invested in companies that have raised several billion dollars to fund transformative energy, sustainability, and environmental impact technologies.

Did you always know that you had an entrepreneurial spirit?

Looking back, I guess you could say that. Like a lot of kids my age, I had a paper route when I was young. I quickly realized that I didn’t love trudging up hills in the rain while other routes were flat and easier, so I found a way to acquire a flatter route. I also grew up in a household of entrepreneurs. No

one had a traditional job, so there was a lot of encouragement to pursue ideas and figure things out on your own. On top of that, money was always tight, and I went to schools that stretched my family financially. I used to ask my parents why we never went on vacations, and my dad would say, “Because we spent all the money we had on tuition. If you want those things, you’ll have to go get them yourself.” That kind of environment creates a certain resourcefulness. I didn’t have a roadmap, so I had to build my own.

How do you describe Rusheen Capital Management’s mission?

At its core, our mission is to invest in companies and technologies that are profitably reducing or eliminating excess CO² from the atmosphere. We view excess CO² as just as dangerous to the environment as other harmful compounds – like NO_x, SO_x, or PFAS.

At RCM, we invest in businesses that are both commercially viable and materially impactful in the fight against climate change, whether that’s direct air capture, carbon-to-value technologies, or systems that reduce emissions in heavy industry. This isn’t theoretical. These are real businesses doing real work, and they need capital, talent, and support to scale.

What needs to be done to drive lasting impact in addressing the climate crisis?

There are three key things. First, we need long-term, consistent government policy. It’s hard to plan a 10- or 20-year project if regulations swing every election cycle. Regulatory clarity gives both companies and investors the confidence to commit. Without it, companies and investors just wait, and waiting is not something we can afford to do.

Second, we need to prove – again and again – that addressing climate change can also be a profitable business. I always say: sustainability that isn’t financially sustainable won’t scale. If investors

don’t see returns, the money dries up. But we’ve shown that climate tech can deliver both impact and returns. That’s the model we back every day.

And third, we need patience. This is the toughest part because we live in a culture that wants instant gratification, but these are systemic problems that took over a century to create. The fixes may take decades. That doesn’t mean we’re failing. It just means we’re on the long arc of progress. There is a well-known quote my dad used to say to me: “sometimes you plant trees under whose shade you’ll never sit.” And that’s okay.

What do you see as the keys to effective leadership?

To me, leadership starts with clarity – knowing exactly why you’re doing what you’re doing. That purpose has to be solid. Once you have that, the next step is translating the “why” into actionable strategy, or the how. You have to make it real and relevant for your team. And then, finally, great leaders listen. They adapt. You set the vision, but you also create feedback loops that let you adjust in real time. It’s like sailing. You know your destination, but the boat is always adjusting for wind and current. Leadership is about staying on course while constantly making small, smart midcourse corrections. You stay true to your goal, but flexible in your approach.

What advice do you offer to young people beginning their careers?

Your first couple of jobs – they’re probably going to be wrong, and that’s okay. There’s this myth that you’re supposed to know exactly what you want to do straight out of college, but the truth is, most people spend their 20s figuring out what doesn’t fit. The real stories you hear are more like: “I was fired,” or “my company downsized.” You name it. It’s easier said than done, but moments like these, while painful, help put you on the path that’s right for you.

Early failure isn’t a detour; it’s part of the path. One thing my dad pointed out to me when I was just starting out was a reality about fast-growing companies: the average founder has often failed a handful of times before succeeding. Back then, he told me, “You better get started on failing.” I’ll never forget that.

And especially in climate tech – the timelines are long. This isn’t a TikTok startup; it’s deep tech, hard science, infrastructure, and policy. It takes time. But that also means it’s a career with longevity and depth. If you can be a little more patient than the world around you, and learn from every failure, you’ll go farther than you think. ●