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## **NATIONS DOMINANT IN NANOTECH TODAY FACE THREATS FROM RISING POWERS BY 2012; TOPIC TO BE ADDRESSED AT LUX EXECUTIVE SUMMIT**

Lux Research report finds that in a globalized economy, nations are highly interdependent in bringing nanotech to market

New York, NY – October 6, 2005 – Countries from the U.S. to Israel to Taiwan have launched national nanotechnology initiatives aiming to spark job creation and contribute to economic growth. As governments have allocated ever-rising sums of funding, corporations have weighed in with increasing R&D expenditure: Corporate R&D funding for nanotech this year will total \$1.8 billion in the U.S., \$1.1 billion in Japan, \$296 million in Germany, and \$213 million in South Korea. Which nations are winning the nanotechnology race? The answer to this question will change dramatically over the next seven years, according to a new report from Lux Research entitled “Ranking the Nations: Nanotech’s Shifting Global Leaders.” The analysts’ findings and strategic recommendations for how to profit from these shifts will be presented exclusively at the upcoming Lux Executive Summit ([www.luxexecutivesummit.com](http://www.luxexecutivesummit.com)), being held at the Charles Hotel in Cambridge, MA on October 24–25, 2005.

Lux Research assessed 14 countries spanning four continents with a rigorous, quantitative methodology driven by primary interviews with government and business executives in each country, exhaustive secondary research, and on-site facilities visits in countries including the U.S., Japan, Taiwan, China, the U.K., and Germany. Each nation was measured on 17 metrics across two axes. The first axis, nanotechnology activity – including metrics like national nanotech funding, government and university nanotech centers, and corporate nanotech R&D spending – measures the raw material that researchers and businesses in a country have to work with in commercializing nanotechnology. The second axis, technology development strength – including metrics like high-tech manufacturing as percent of GDP, R&D spending as percent of GDP, and size of the technology and science workforce – measures the country’s demonstrated ability to develop its economy through science and technology in general.

The report finds that two Asian nations, one European player, and the U.S. dominate in nanotechnology today, scoring high on both nanotechnology activity and technology development strength. Three countries – Israel, Singapore, and Taiwan – are important niche players, scoring middle-of-the-road on nanotechnology activity but high on technology development strength. By 2012, the landscape will shift: one niche player will leap into a dominant role, a country in the minor leagues today will become a nanotech powerhouse, and a European country will slide into a minor-league position.

The report emphasizes that in a globalized economy, countries will be highly interdependent in bringing nanotech innovations to market. “In the nanotech ecosystem, the roles of funder, innovator, manufacturer, and marketer will start to diverge and specialize,” said Lux Research Senior Analyst David Lackner. “This trend is already happening as U.S. innovators like Nanosys and nano-C work with Japanese partners to commercialize their technologies. At the Lux Executive Summit, these global power brokers will come together to set strategy, find partners, and sign deals.”

The Lux Executive Summit is nanotechnology’s premier event, featuring content and insight from Lux Research analysts available nowhere else. The Lux Research team will be joined onstage by more than 40 nanotechnology leaders from large corporations, innovative start-ups, forward-thinking investment management firms, and the public sector. Capacity is limited at this premier event, but seats are still available; additional details are available online at <http://www.luxexecutivesummit.com>

**About Lux Research:**

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