

Contact:

Carole Jacques
Lux Research, Inc.
(646) 649-9585
carole.jacques@luxresearchinc.com

WORLD'S LARGEST COMPANIES KEEP MAKING BETS ON NANOTECH

Lux Research report finds that executives are adapting their strategies and partnering with more sophisticated start-ups to find profits from nanotechnology

New York, NY – November 6, 2008 – With nanotechnology shifting from an emphasis on R&D to a focus on commercialization – with \$147 billion worth of products enabled by nanotech sold in 2007 – the strategies of global corporations and start-ups working on nanotechnology have shifted, according to a new report by Lux Research.

“Executives at global corporations are no longer in the dark on nanotechnology,” said Jurron Bradley, Ph.D., Senior Analyst at Lux Research. “While some skepticism still exists, they have learned from past flops and have instituted an ‘open innovation’ model to minimize risk.”

To analyze the strategies of global corporations and nanomaterial specialists, Lux Research conducted a new survey of top executives at 31 leading global corporations active in nanotechnology, and drew on data from over 1,000 primary interviews Lux Research Analysts conduct with technology developers annually. The study concludes that:

- Awareness of nanotech is still growing – some 65% of global corporations say senior management has high awareness of nanotechnology, almost double what companies said two years ago.
- Virtually every large company has an explicit nanotech strategy, most often decentralized. A solid 94% of respondents report having a specific strategy for exploiting nanotech innovation, and 65% described a decentralized organizational structure to nanotech.
- Corporations are looking to external innovators to complement internal nanotech efforts – 100% of the companies interviewed cited external cooperation with universities, start-ups, or corporations as key to their strategies. Companies see such collaborations as attractive alternatives to share costs and risks.
- Nanomaterial environmental, health, and safety (EHS) issues are both an increasing priority for start-ups to address, and for large companies to manage.

“Nanotech EHS remains topic A for companies developing nanomaterial applications,” noted Kristin Abkemeier, Ph.D., Analyst at Lux Research. “If they can’t deal with real risks, perceptual risks, and regulations, they won’t be able to profit. However, after several years of growing debate and ongoing uncertainty, the picture is finally beginning to clear up.”

More recent findings on nanomaterials from Lux Research, including a detailed study on corporate nanotechnology strategies, are available at www.luxresearchinc.com. Lux Research’s studies on nanomaterials include projections on the value of products incorporating nanotechnology across the value chain from 2004 to 2015, broken down by value chain stage, industry sector, and region. They offer a concise introduction to nanotechnology, as well as profiles of ten major nanomaterials, like carbon nanotubes and quantum dots, and ten major nanointermediates, like nano-enabled coatings and drug delivery systems. These reports also include a detailed analysis of nanotechnology funding from corporations, governments, and venture capitalists, as well as discussions of key issues such as environmental, health, and safety (EHS) issues, how large corporations are approaching nanotechnology, and the prospects for nanomaterials start-ups and other specialists.

These reports are available as a part of LR Nanomaterials Intelligence. Clients receive: 1) regular reports; 2) ongoing technology scouting reports and proprietary data points in the weekly Lux Research Nanomaterials Journal; and 3) on-demand inquiry with Lux Research analysts. For information on how to become a client, contact John Schwartz at john.schwartz@luxresearchinc.com or (646) 649-9582.

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