

Contact:

Peter Hebert
Lux Research, Inc.
646-723-0702
peter.hebert@luxresearchinc.com

148 GLOBAL CORPORATIONS HAVE NANOTECHNOLOGY INITIATIVES TODAY; 290 WILL IN 2008

Lux Research kicks off client-only conference call series with exclusive analysis of best practices in nanotechnology commercialization

New York, NY – April 5, 2006 – With U.S. President George Bush and Procter & Gamble CEO Alan Lafley highlighting nanotechnology in recent speeches, nanotech is clearly no longer just a far-future science exercise – executives expect measurable commercial results from this field of innovation in the next four years. Earlier today, Lux Research provided clients with the key lessons from a proprietary analysis of nanotechnology's impact on 76 industries during the launch of Lux Research Interactive, the advisory firm's new series of client-only conference calls. Based on the new report "How Industry Leaders Organize for Nanotech Innovation", the Lux Research Interactive session provided clients with best practices on how market leaders are structuring their organizations to take advantage of emerging technologies based on the physical sciences.

"We have seen significant increases in corporate nanotechnology activity in the last 18 months, with companies now firmly staking out their competitive positions," said Lux Research Senior Analyst Mark Büniger during today's client-only conference call. "Many large corporations are already selling products that incorporate emerging nanotechnology, and scores of others are in late-stage product development or trials. But even the leaders say they're not organized effectively, and many of their competitors have not even begun to set up shop."

To gauge nanotechnology's effect on global businesses and their readiness for change, Lux Research analyzed 1,331 of the world's largest companies and interviewed leading executives at 35 of the most pioneering ones directly. These corporations put \$3.2 billion into nanotech R&D in 2005 and earned \$32 billion in revenues from nanotech-related products. Among Lux Research's findings:

- Nanotechnology will impact different industries in radically different ways. In high-impact industries like pharmaceuticals, semiconductors, and aerospace, companies like Merck and Boeing will develop wholly new product lines, find cost reduction/performance improvements on the order of 20% or more, and need to develop new processes for innovations like drug-device hybrids and roll-to-roll printable electronic devices. Even in medium-impact sectors like automotive and food, companies like Ford and Kraft are seeing large incremental improvements that will be felt at the bottom line as nanotechnology makes hybrid vehicles run longer and functional foods deliver more nutrition.
- Today 148 firms have structured nanotech initiatives, doubling to 290 in 2008. By then, corporate nanotech R&D spending will increase to \$12 billion; 80% of high-impact companies will have nanotech in normal product development, and many of the 217 firms seeing a medium level of impact from nanotechnology will have formalized today's loose projects.

"Nanotech innovations will force incremental, disruptive, and structural changes onto entire industries," said Büniger on the call. "Companies need to start today to develop new strategies for product development, intellectual property, marketing, supplier relationships, and of course, R&D."

Lux Research Interactive marks Lux Research's newest service available to global corporations, investors, and governments. Through our analysts' unique expertise and unrivaled network, Lux Research enables our clients to:

- **Source** new technologies and intellectual property
- **Monitor** competitors, partners, and customers
- **Organize** internal efforts, exploiting best practices and case studies from pioneers
- **Partner** with leading technology start-ups, corporations, and labs in North America, Europe and Asia
- **Profit** by beating competitors to innovative new products and services

For information on how to become a client, contact Rob Burns, Vice President of Sales, at +1 (646) 723-0708.

About Lux Research:

Lux Research is the world's leading nanotechnology research and advisory firm. We help our clients make better decisions to profit from nanoscale science and technology, tapping into our analysts' unique expertise and unrivaled network. Our clients include top decision makers at large corporations, portfolio managers and analysts at leading financial institutions, CEOs of the most innovative start-ups, and visionary public policy makers. Visit www.luxresearchinc.com for more information. For Lux Executive Summit registration and additional event details, please visit www.luxexecutivesummit.com

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