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NANOTECHNOLOGY IN $32 BILLION WORTH OF PRODUCTS; GLOBAL FUNDING FOR NANOTECH R&D REACHES $9.6 BILLION

Lux Research releases The Nanotech Report, 4th Edition, the indispensable reference guide to nanotechnology

New York, NY – May 8, 2006 – The commercialization of nanotechnology continues to gain speed worldwide. More than $32 billion in products incorporating emerging nanotechnology were sold last year, global R&D spending on the field reached $9.6 billion, and mentions of nanotech in major media articles rose 40% to more than 18,000 citations. These figures are some of the key findings from The Nanotech Report, 4th Edition, the world's only comprehensive and up-to-date reference study on nanotechnology, released earlier today by leading research and advisory firm Lux Research.

"In 2001, Lux published the first edition of The Nanotech Report, assessing the commercial and investment implications of nanotechnology for the first time and earning a reputation as 'the Bible of nanotech,'" said Lux Research CEO Peter Hebert. "Today, nanotechnology has changed, and so has The Nanotech Report. We've rebuilt the fourth edition of this indispensable reference work from scratch to bring executives and investors a comprehensive view of this changing field."

In two volumes and more than 600 pages, The Nanotech Report, 4th Edition, delivers:

- **All new content** – nothing repurposed from previous editions
- **All new data** – on government funding, corporate R&D, venture capital, patents, trademarks, media, and environmental, health, and safety issues
- **All new company profiles** – 70 detailed assessments in a new, data-rich format
- **All new technology and application profiles** – 24 comprehensive drill-downs across the nanotech value chain
- **All new digital delivery** – PDF format for easy navigation and search

Key findings of The Nanotech Report, 4th Edition, include:

- Nanotech continues to spark enthusiasm at the highest levels of industry and government. In the past six months, George W. Bush declared nanotechnology a priority in the State of the Union address; GE CEO Jeffrey Immelt called nanotech a top priority for his firm, on par with alternative energy; and P&G CEO Alan Lafley referred to nanotech as a "very fruitful area" for the consumer products giant.
- Emerging nanotechnology was incorporated into $32 billion in manufactured goods in 2005 – more than double the previous year. In 2014, we project that $2.6 trillion in global manufactured goods will incorporate nanotech, or about 15% of total output.
- Governments, corporations, and venture capitalists spent $9.6 billion on nanotechnology research and development (R&D) worldwide in 2005, up 10% from 2004: $4.6 billion in government spending, up 3% from 2005; $4.5 billion in corporate R&D, up 18% from 2004; and $497 million in venture capital, up 17% from 2004.
- A total of 3,966 U.S. nanotechnology patents have been issued since 1985. Patent wars are brewing: Firms are preparing for legal battles and licensing deals over claims that they perceive to overlap, particularly in highly-contested fields like quantum dots and carbon nanotubes.
- 1,408 U.S. trademarks have been issued with the substring "nano" in them – dating back to 1965 – to a very wide variety of 640 companies. These trademarks are diffusely held – the #1 trademark holder, fabric treatment specialist Nano-Tex, holds only 25.
- Public perception of nanotechnology is growing as media mentions of nanoscale science and engineering rise sharply. Nanotechnology was mentioned in 18,039 major English-language media articles in 2005, up 40% from 2004.

- Nano-enabled products on the market today, ranging from antimicrobial refrigerators to nano-reformulated drugs, carry a weighted average price premium of 11% versus comparable conventional products.
- The launch of products incorporating nanotech is showing clear differentiation across sectors. Manufacturing and materials applications like composites and coatings are launching first, but taking a long time to diffuse; electronics and IT applications like advanced memory chips and displays are launching later, but likely to spread rapidly; and healthcare and life sciences applications like nanostructured medical devices and nanotherapeutics have the longest time-to-market due to sector-specific regulation.

The Nanotech Report, 4th Edition, draws on the ongoing market intelligence gathered by the Lux Research analyst team, the world's foremost business advisors in nanotechnology and the physical sciences. Rigorous quantitative models, exhaustive secondary research, and more than 800 primary interviews with business and technology executives went into the production of The Nanotech Report, 4th Edition. Highlights of the study's content include:

- **Company profiles:** 70 in-depth profiles of nanotech leaders from innovative start-ups like A123Systems to large corporations like DuPont, spanning four continents and a dozen countries, with standardized scorecard ratings
- **Technology and application profiles:** 24 detailed assessments explaining key nanotechnology applications from the ground up, with market sizes, future growth rates, and key companies, people, patents, and milestones
- **Government funding:** Calculations of government nanotechnology funding worldwide in 2005, spanning more than 40 countries, with highlighted national and regional initiatives
- **Corporate R&D spending:** Estimates of nanotech corporate R&D spending by country and sector in 2005, with highlighted nanotech programs at Fortune 1,000 giants
- **Venture capital:** Comprehensive analysis of every nanotech venture capital deal ever closed by country, sector, year, and sponsoring VCs from 1989 through 2005
- **Patents:** Analysis and discussion of more than 1,300 nanotechnology patents covering more than 20,000 claims
- **Trademarks:** Analysis and listing of every nanotech trademark filed in the United States
- **Environment, health, and safety (EHS):** Data on U.S. government spending on nanotechnology EHS research plus a framework for addressing nanotech EHS risks

The Nanotech Report, 4th Edition, is available directly from Lux Research for a single-user license of $4,795. Additional user licenses are priced at $995; educational discounts and site licenses are available. To order or for more information, contact Stephen McDermott at +1 (646) 723-0158 or stephen.mcdermott@luxresearchinc.com. Key findings and sample company and technology profiles are available for download at www.luxresearchinc.com/tnr.

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