Overview

	Research	Technology Development
Target Result	Know-how and tools required for technology development	Opportunities ready for "transfer" to product innovation and commercialization, VCs, etc.
Effort led by….	Universities, research institutions, and national labs	Industry
In collabo-ration with…	Industry	Universities
5-year Infrastructure Investment	$100M + *Future: $100M+*	$25M
5-year Project Investment	$15M +	$75M
Source of Funds	Private Donors + Telem (incl. Ministries of Defense, Industry) + matching funds, international collaboration (e.g., BSF, GIF)	Telem, Ministry of Defense, Ministry of Industry (Magnet, OCS), other public (to be negotiated), industry, global, international collaboration (e.g., BIRD, EU programs)
Success Metrics (2007)	■ 40 graduates annually ■ High quality, interdisciplinary publications ■ 100 patents	■ 100 patents ■ $40 industry funding ■ 5 start-ups with $150M in VC funding and 750 employees

SENSITIVE

The Nanotechnology Committee

The TELEM Forum combines the primary public bodies supporting Research and Development in Israel. The Forum has decided on February 19, 2002 to establish a professional multi-disciplinary committee for the studying national infrastructure required for Nanotechnology R&D.

TELEM assigned the committee the following roles:

1. Survey nanotechnology scientific and technology potential and existing activities (in Israel and abroad) in light of technological, industrial, and military development
2. Map and identify infrastructure required for R&D in Israel within the universities, industry, and national labs, and check the possibilities for local and international cooperation
3. Recommend potential actions for TELEM Forum in this area

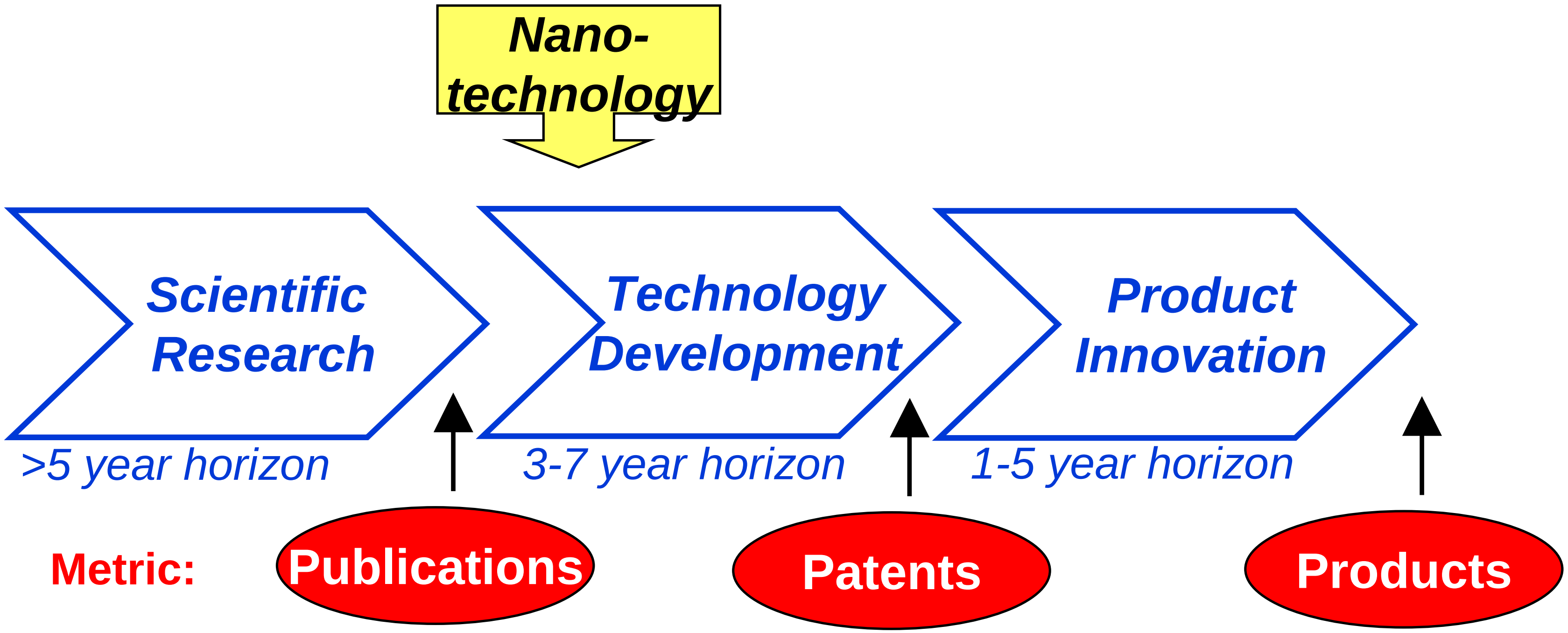
The committee members were:

Dr. Dan Maydan (Chair)
Prof. Gad Bahir
Prof. Uri Banin
Dr. Meir Weinstein
Mr. Dan Vilenski (Secretary)
Prof. Joshua Jortner
Dr. Giora Yaron
Prof. Ori Cheshnovsky

The committee was also supported by two staff members:

Mr. Kalman Kaufman
Mr. Iddo Hadar

Stages of Innovation



NANOTECHNOLOGY
Level of Spending

Highlights

- World-wide Nanotechnology spending has exceeded $2 Billion this year
- U.S. is the largest spender–fastest growth is in Japan, Europe, and certain other countries (e.g. Singapore)
- The focus of funding–e.g., for the DOD–has shifted from basic to applied and exploratory research
- An application-focused Nano program requires about $2 Million in annual funding; an average research center may require $10 Million annually (??)
- The breadth of the U.S. effort may be excessive, as suggested by the National Academy of Sciences

Israel's Resources Pale in Comparison to Global Efforts

	2001 Government Spend on Nano ($ M)	2000 GDP ($ B)	Ratio (% of 1/1000th)
W. Europe	$225	$7,039	3.2%
USA	$696	$9,927	7.0%
Japan	$550	$3,247	16.9%
Other OECD	$380	$6,578	5.8%
TOTAL OECD	$1,851	$26,791	6.9%
Israel	$10	$110	9.1%

Assumptions: USA: assume local government spend 1/2 as much as federal government; Israel–estimate

Sources: Dr. M.C. Roco, OECD Statistics, World Bank

Federal Government National Nanotechnology Investment

(In $Millions)	FY 2000	FY 2001 (year 1)		FY 2002 (Yr 2. Appropriation)		FY 2003 (Yr. 3 Request)	
		First Three Years of the National Nanotechnology Initiative (NNI)					
Department/Agency	**Actual**	**Appropr**	**Actual**	**2/4/02**	**Total**	**2/4/02**	**Total**
Department of Defense	70	110	123	180		201	
Department of Energy	58	93	87.95	91.1		139.3	
Department of Justice	-	-	1.4	1.4		1.4	
Department of Transportation (FAA)	-	-	0	2		2	
Environmental Protection Agency	-	-	5	5		5	
National Aeronautics and Space Administration. (NASA)	5	20	22	22	46	22	51
National Institutes of Health	32	39	39.6	40.8		43.2	
National Institute of Standards and Technology (NIST)	8	10	33.4	37.6		43.8	
National Science Foundation	97	150	150	199		221	
US Department of Agriculture	-	-	1.5	0	1.5	0	2.5
TOTAL	270	422	464	579	604	679	710

Three new R&D areas are planned (FY2003) in all federal budgets and agencies: manufacturing processes at the nanoscale, use of nanotechnology for chemical-biological-radioactive-explosive detection and prevention and development of instrumentation and metrology at the nanoscale.

DOD Investment in Nanotechnology

(First Three Years of NNI)

($ Millions)	FY 2001 (Actual)		FY 2002 (Current Plan)		FY 2003 (Request)	
	Basic Research (6.1)	Applied Research (6.2), Exploratory Develop-ment (6.3)	Basic Research (6.1)	Applied Research (6.2), Exploratory Develop-ment (6.3)	Basic Research (6.1)	Applied Research (6.2), Exploratory Develop-ment (6.3)
DUSD [R]	36	-	26	-	28	-
DARPA	28	12	9	88	11	90
Army	6	-	18	2	18	5
Air Force	6	4	8	7	13	5
Navy	31	-	21	1	26	5
SUB TOTAL	107	16	82	98	96	105
TOTAL	123		180		201	

National Science Foundation Nanotechnology
(First Three Years of NNI)

($ Millions)	FY 2001 Enacted	FY 2002 Current Plan	FY 2003 Request
Biological Sciences	2.33	2.33	2.98
Computer and Information Science and Engineering	2.20	10.20	11.14
Engineering	55.27	86.30	94.35
Geosciences	6.80	6.80	7.53
Mathematics and Physical Science	83.08	93.08	103.92
Social and Behavioral Sciences	0.00	0.00	1.11
Educational and Human Resources	0.00	0.00	0.22
Total, Nanoscale Science and Engineering	149.68	198.71	221.25

National Science Foundation Nanotechnology

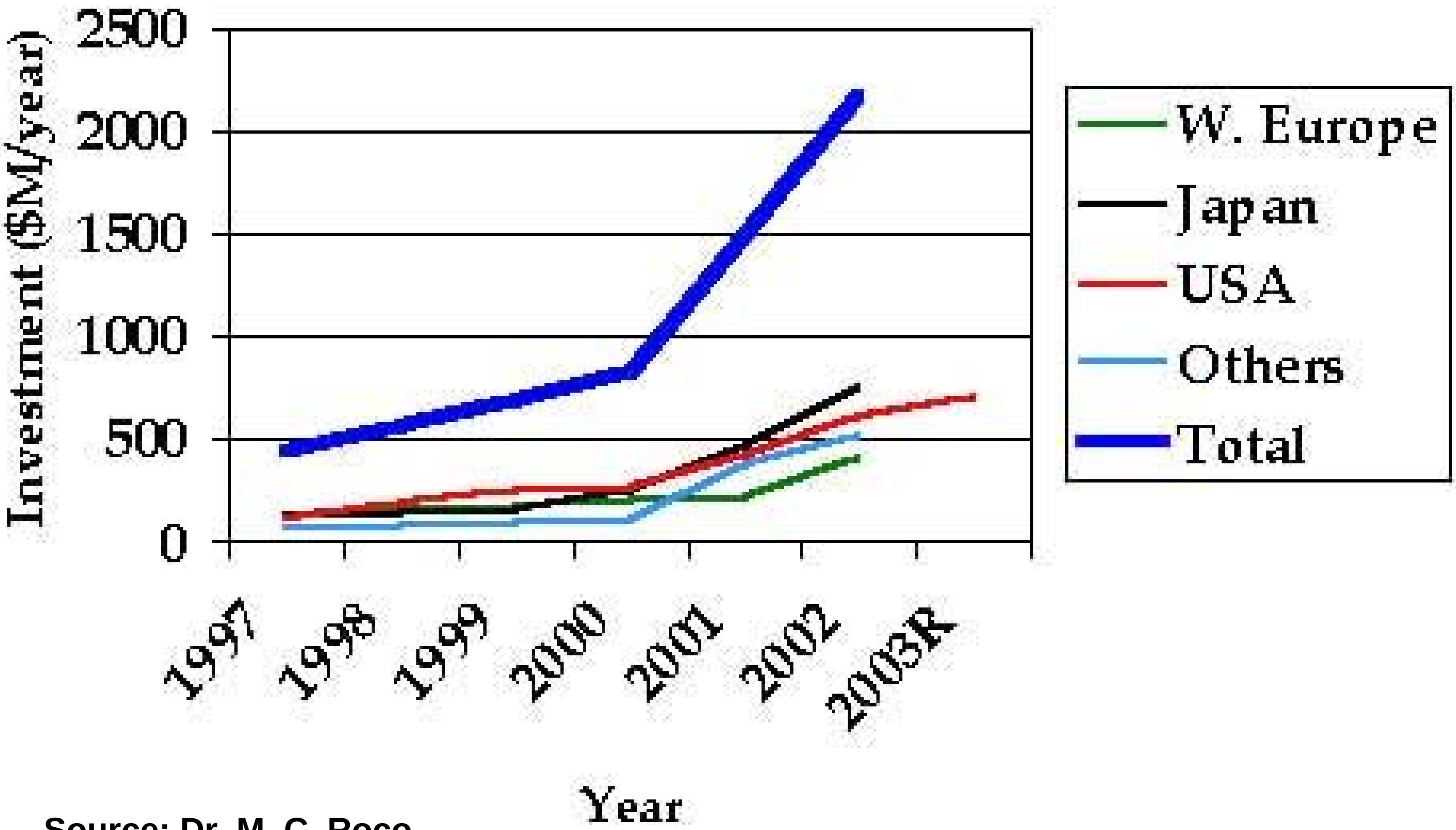
Programmatic Focus in FY2003

Program Focus		Requested Funding ($M)
Fundamental Research and Education		140.93
	Biosystems at the Nanoscale	20.7
	Nanoscale Structures, Novel and Quantum	53.5
	Device and System Architecture	27.8
	Nanoscale Processes in the Environment	9.6
	Multi-scale, multi-phenomena theory, modeling, and simulation at the Nanoscale	20.84
	Manufacturing processes at the Nanoscale	8.49
Grand Challenges		10.7
Centers and Networks of Excellence		38.64
Research Infrastructure		21.70
Societal and educational impacts of science and technology advances		9.28
TOTAL		221.25

Six Application-Oriented Centers Funded by the National Science Foundation

Center for Integrated Nanopatterning and Detection Technologies	Northwestern University	Chemical and biological sensors	$11.1M/5 years
Center for Nanoscale Systems in Information Technology	Cornell University	Electronics, information storage and communications	$11.6M/5 years
Center for the Science of Nanoscale Systems and Their Device Applications	Harvard University	Electronic and magnetic devices and quantum information processing	$10.8M/5 years
Center for Electronic Transport in Molecular Nanostructures	Columbia University	Materials for electronics, photonics and biology	$10.8M/5 years
Center for Biological and Environmental Nanotechnology	Rice University	Materials for environmental engineering and medicine	$10.5M/5 years
Center for Directed Assembly of Nanostructures	Rensselaer Polytechnic Institute	Composites, drug delivery devices and sensors	$10.0M/5 years

Global Nanotechnology Funding



Source: Dr. M. C. Roco
Chair, Subcommittee on Nanoscience, Engineering and Technology (NSET)
National Science and Technology Council (NSTC)
Senior Advisor for Nanotechnology, National Science Foundation
Mroco@nsf.gov
Dated August 2001 so does not reflect recent increases in US funding

Estimated Government Sponsored Nanotechnology R&D

Area	1997 a	1997 b	1998 a	1998 b	1999 a	1999 b	2000 a	2000 b	2001 a	2001 b	2002 a Request
W. Europe		126		151		179		200		225	
Japan		120		135		157		245		410 + 140*	
USA	116		190		255		270		422		519
Others*		70		83		96		110		380	
Total (% of 1997)		**432 100%**		**559 129%**		**687 159%**		**825 191%**		**1,577 365%**	

Notes:
a = Financial year begins in USA on October 1st.
b = Financial year in most other countries begins on March 1 or April 1
1. W. Europe includes countries in EU and Switzerland
2. Others include Australia, Canada, China, FSU, Korea, Singapore, Taiwan and others with nanotechnology R&D
•= Japan has supplemented its initial $410M with additional $140M for nanomaterials including polymers and metals
Dated August 2001 so does not reflect recent increases in US funding

Source: Dr. M. C. Roco

Survey of Academic Nanotechnology Research in Israel

Nanotechnology Committee

September 2002

•*The aim of this document is to provide a general perspective of the research activity in Israel and the level of resources required to create a competitive infrastructure to support the Nano-research*

•*This overview was compiled from un-audited information provided by the Universities.*

Nanotechnology Centers

University	Center Name	Mission
Tel Aviv University	The University Research Institute for Nano-Science and Nano-Technologies	*To provide a framework for the advancement of interdisciplinary research and development within the nano-scale dimension.*
Technion	Multidisciplinary Board for Nanoelectronics and Nanooptics	*The board will guarantee successful structuring, and coordination of all activity in nanoelectronics and nanoptics at the Technion. The board will generate educational activities, appropriate infrastructure and international symposia. Furthermore, the board will serve as a port to industry and other external agencies (universities, start ups etc).*
Hebrew University	Hebrew University Center for Nanoscience and Nanotechnology (HUCNN)	*To promote basic and applied research in nanoscience and nanotechnology to new grounds. To educate and train the future generation of leaders in nanoscience and nanotechnology in Israel. Creating conditions so that nanotechnology industries in Israel will become world leaders in the field.*
Bar Ilan University	Bar Ilan Center For Advanced Materials (Nano science initiative)	*Develop new materials for energy biomedical environmental applications*
Weizmann Institute	1. Braun Center for Sub-micron Research. 2. Center for Nanoscale Science	*1. Variety of projects in Low dimensionsl structures in Semiconductors, III-V compounds. organic and inorganic Fullerens. The projects include complex fabrication and testing* *2. Promote research in Nanoscale Science including Biological research*
Ben Gurion University	Ilse Katz Center for Nano Science and Nanotechnology	*To integrate basic disciplines in Natura Science and Engineering to a coherent unit. To promote basic and applied research in nanoscience and nano technology to new grounds. Create conditions so that nanotech industries in Israel will become world leaders*

Relative Activity Level by Projects

Ben Gurion University

Nano Electronics	10%
Nano Optics	10%
Nano Materials	20%
Nano Bio-,biosensors	30%
Charact.and nanodevices. fab	25%
The science of nanoscale	5%
Nano medical science	0%

Bar Ilan University

Nano Electronics	5%
Nano Optics	8%
Nano Materials	53%
Nano Bio-,biosensors	18%
Charact.and nanodevices. fab	16%
The science of nanoscale	0%
Nano medical science	0%

Tel Aviv University

Nano Electronics	13%
Nano Optics	3%
Nano Materials	9%
Nano Bio-,biosensors	53%
Charact.and nanodevices. fab	6%
The science of nanoscale	8%
Nano medical science	8%

Weizman Institute

Nano Electronics	14%
Nano Optics	2%
Nano Materials	26%
Nano Bio-,biosensors	21%
Charact.and nanodevices. fab	21%
The science of nanoscale	16%
Nano medical science	

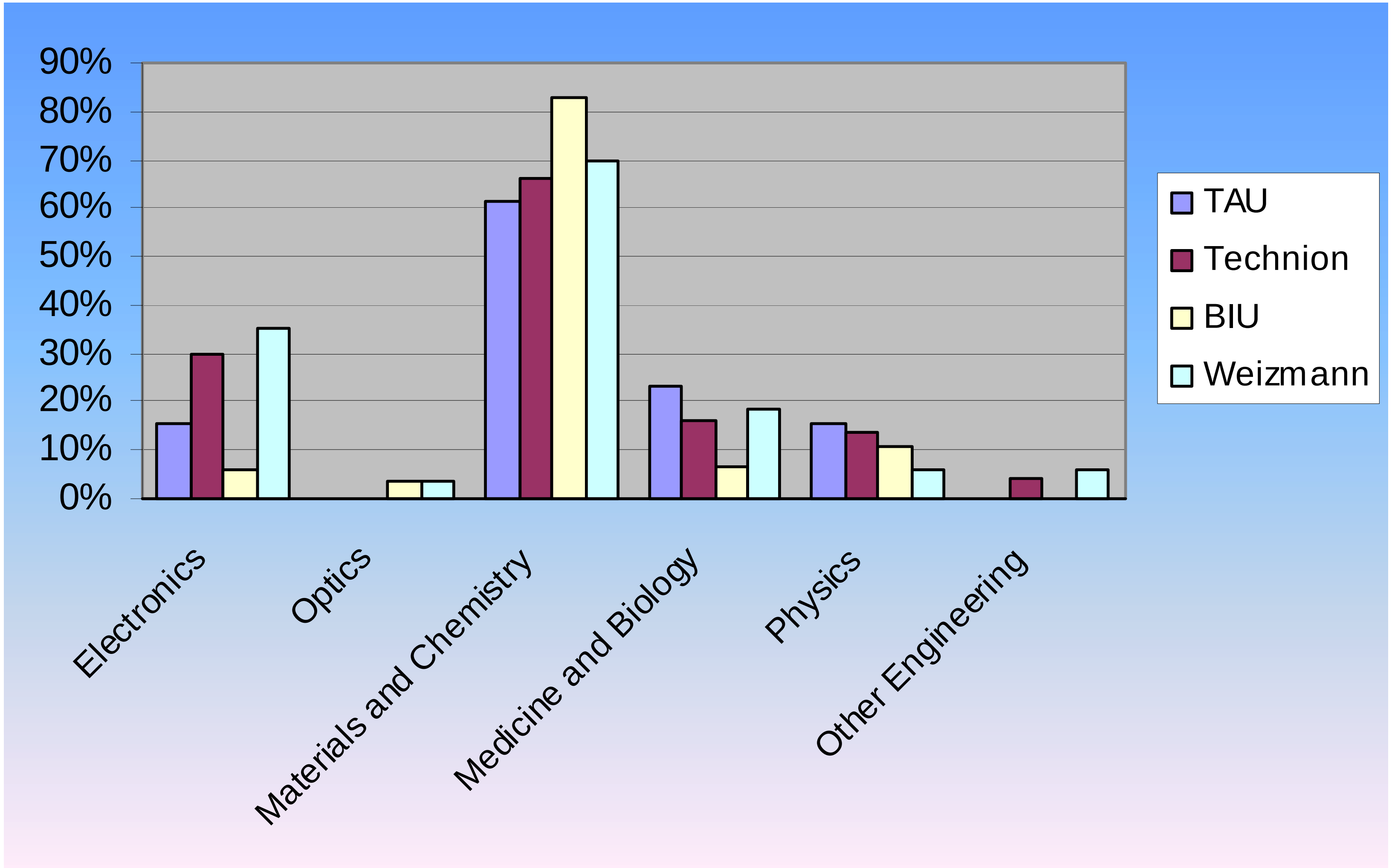
Hebrew University

Nano Electronics	36%
Nano Optics	12%
Nano Materials	28%
Nano Bio-,biosensors	8%
Charact.and nanodevices. fab	8%
The science of nanoscale	4%
Nano medical science	4%

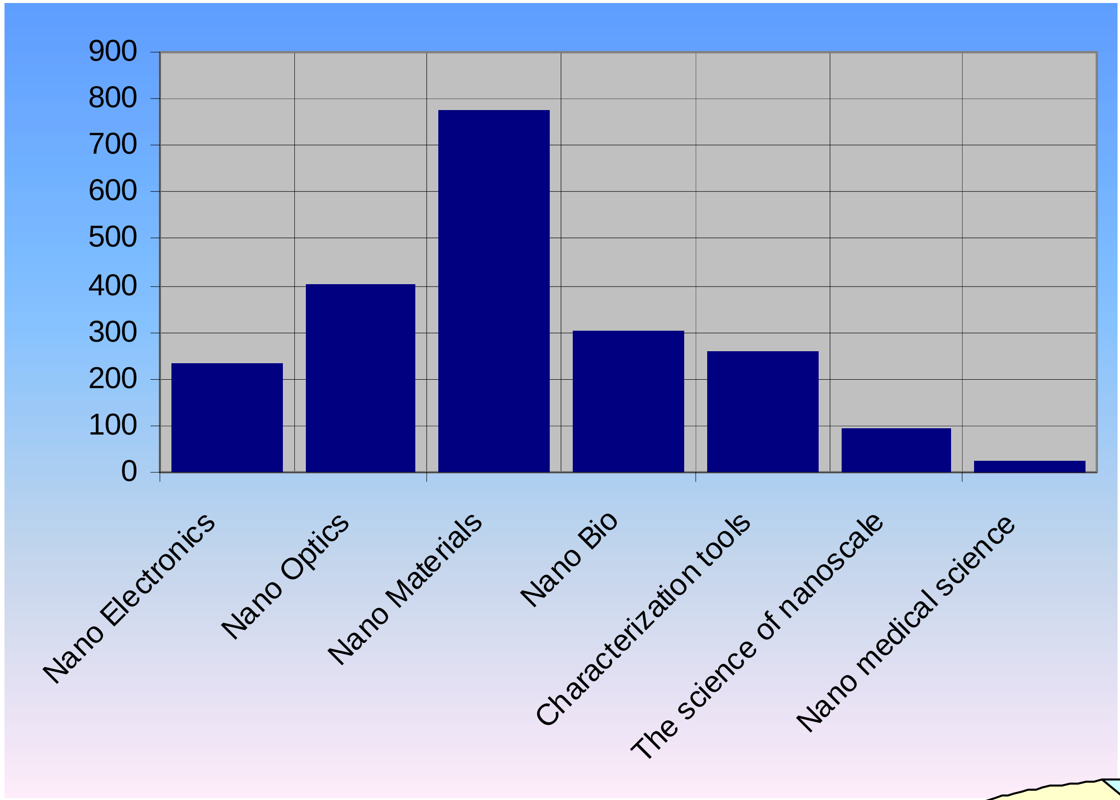
Technion

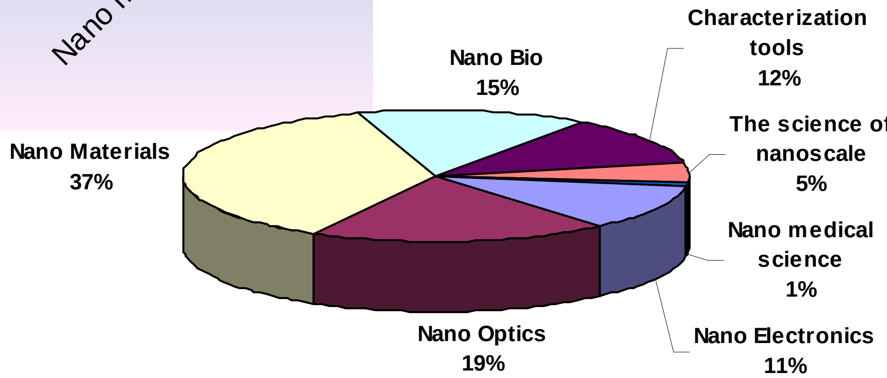
Nano Electronics	16%
Nano Optics	33%
Nano Materials	18%
Nano Bio-,biosensors	13%
Charact.and nanodevices. fab	18%
The science of nanoscale	2%
Nano medical science	0%

Internal Distribution of Research Disciplines

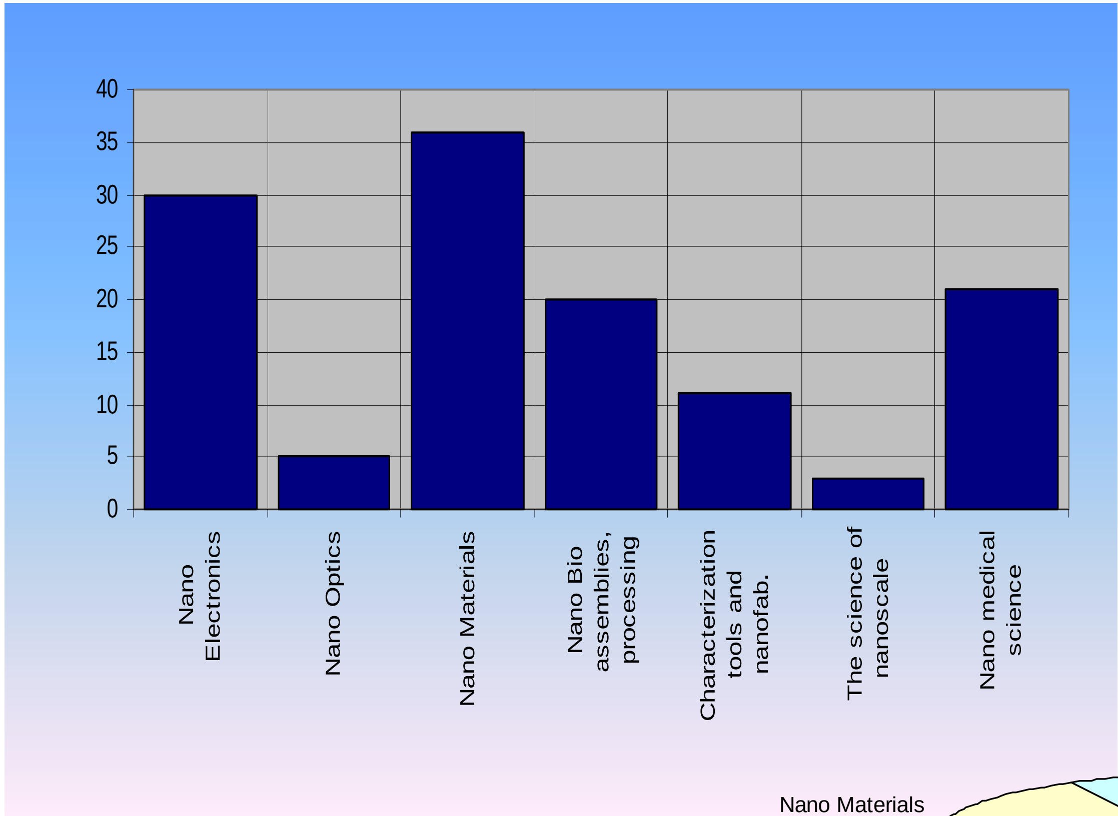


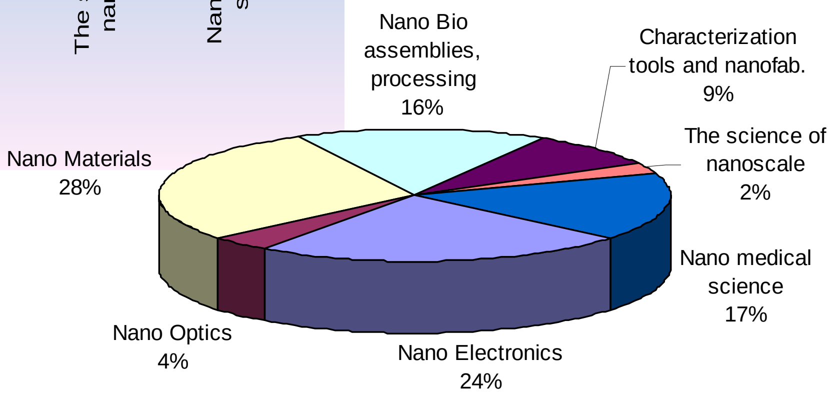
Number of Publications by Research Field





Number of Patent Applications by Research Field*





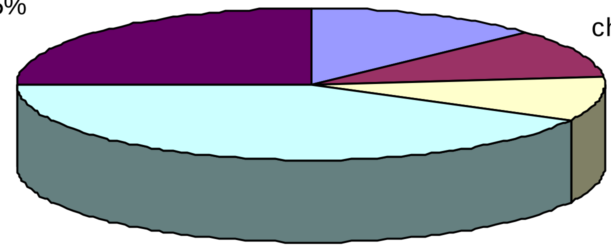
*** Partial list. Does not include TAU**

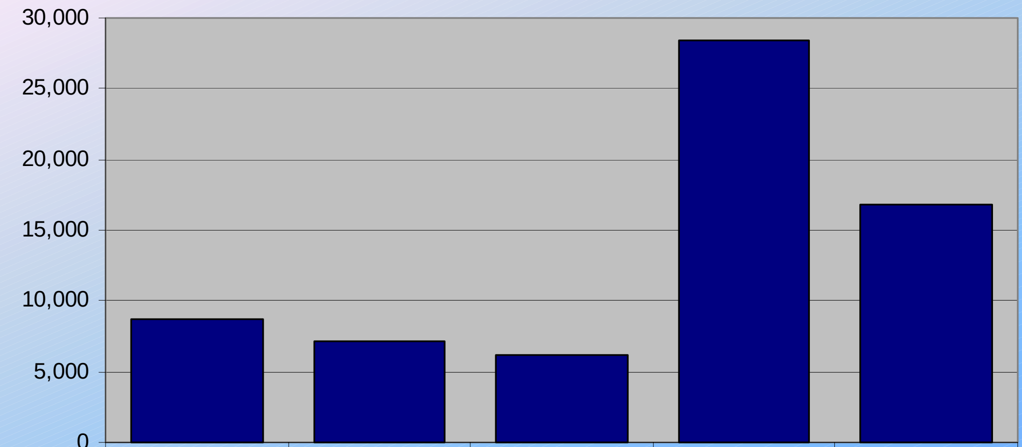
Investment Summary

Institute	Existing Equipment (M$)	Other Capital (M$)	**Requested Equipment (M$)**	**Requested other Capital (M$)**	Operating Budget (M$)	Number of Key researchers
TAU	3.50	1.00	**4.70**	**3.15**	0.75	12
HU	6.00	0.80	**10.70**	**2.40**	0.00	23
BIU	8.80	2.40	**10.00**	**0.00**	4.10	13
Technion	24.50	26.60	**15.58**	**9.00**	13.50	48
BGU	4.50		**8.67**	**10.00**		15
1.Weizmann	17.00	3.00	**10.00**	**2.00**	3.00	7
2.Weizmann	1.50	2.00	**3.00**	**1.00**		10
Total	65.80	35.80	**62.65**	**27.55**	21.35	128

Equipment Summary by Application

Distribution

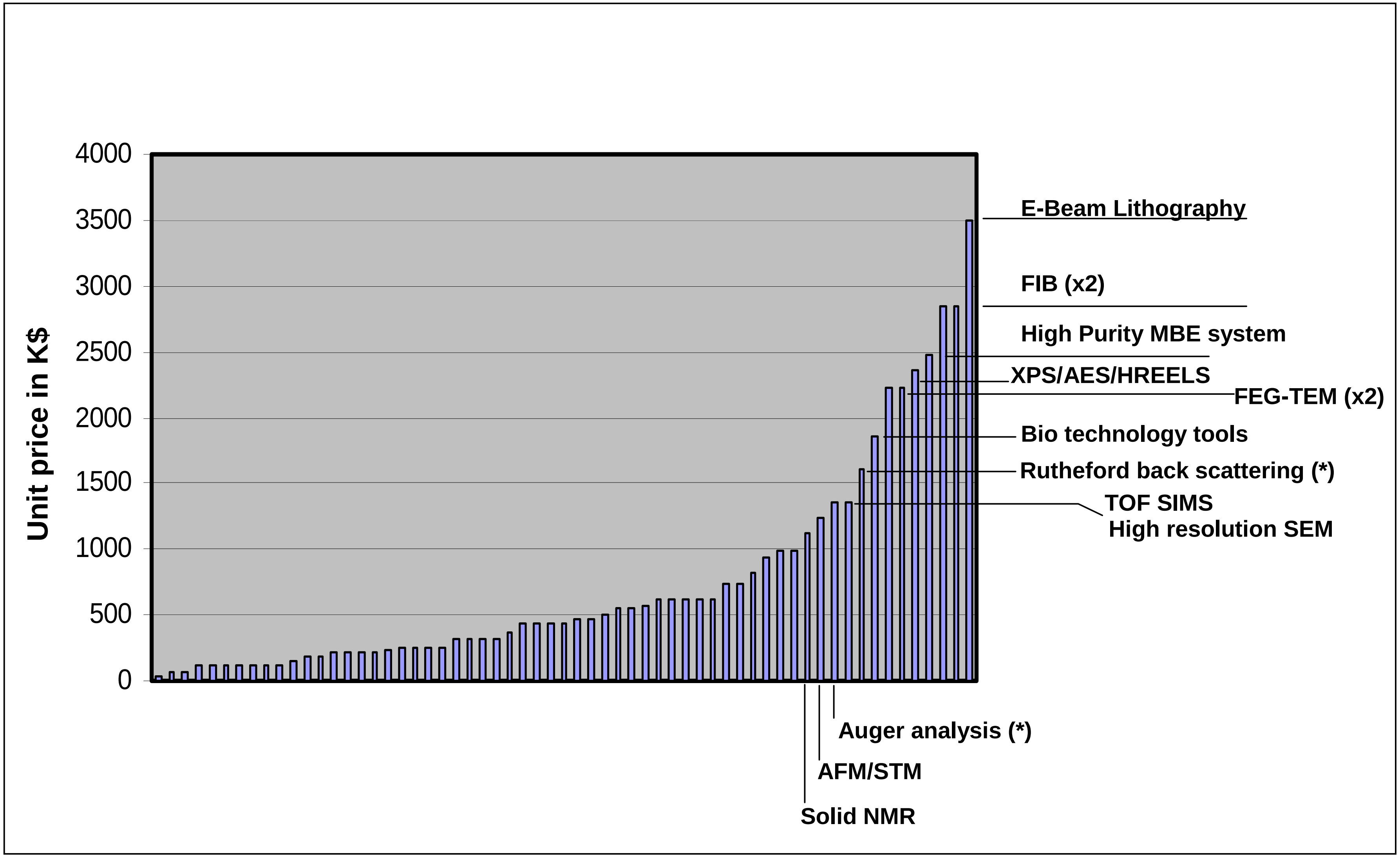




	Synthesis Manipulation	Structural characterizatio	Functional charact.	Fabrication	Device Characterizatio
K$	8,705	7,130	6,152	28,467	16,754

Cost (US$)

Equipment Price Distribution



Industrial Co-operation - (1) *

Company	TAU	Technion	BIU	BGU	HU	Weizmann
Abbott					✓	
Amcol					✓	
Applied Materials		✓		✓		✓
Aprion			✓		✓	
Ashot		✓				
Cargill Denmark		✓				
Carmel Olefins			✓			
Dexxon, Israel					✓	
ECR			✓			
Eger		✓				
Electronics Ferro Corp		✓				
ELOP		✓	✓		✓	✓
ELTA						✓
Gal El						✓
General Motors		✓	✓			
Indigo			✓			
Intel	✓	✓		✓	✓	
Israel Aircraft Industries			✓			
Israel Ministry of Defence		✓	✓			✓
Kafrit Brom			✓			
Kamag		✓				
KLA		✓				
LG Korea			✓			
Lucent	✓					

(*) Main examples. Not a full list Many other engagements exist with start-up companies

Industrial Co-operation - (2) *

Company	*TAU*	*Technion*	*BIU*	*BGU*	*HU*	*Weizmann*
Machteshim					✓	
Magma			✓			
Merck (Germany			✓			
Nanonics					✓	
Nanopowders		✓	✓			
Nanozise			✓			
Nova		✓			✓	
Orbotech			✓			
P&G USA		✓				
PolyGene Ltd Israel					✓	
Rafael		✓				
Ranbaxy India					✓	
Research Cooperation		✓				
Savion Diagnostics			✓			
SCD		✓				
Scitex			✓			
Sensy					✓	
Sol-Gel Technologies		✓	✓		✓	
Tadiran			✓			
Tahasiot Laser			✓			
TI	✓					
Tower Semiconductor					✓	
Vitramon Corp		✓				

(1) **Main examples. Not a full list Many other engagements exist with start-up companies**

Appendix A
Key Opportunities

Which potential applications of nanotechnology represent the most important opportunities for Israel's national benefit on the view of each research institute?

Key Opportunities Tel Aviv University

Nanotechnology Field	Military Applications	Civilian Applications	Rationale
Nano-bio technology	Anti-Non-conventional warfare Biological sensors	New bio-technologies for biological material synthesis and analysis. Functionality detection (as opposed to molecular detection)	Strong knowledge base at TAU
Nano-medical	Drug or vaccine release Selective treatment “smart” medicine.	Drug or vaccine release	Existing knowledge
Nano-materials	Novel coatings : super-hard, wear resistant	Novel thin films with unique properties: eg. high magnetization, improved adhesion, etc.	Combine nano- scale properties to improve micro and macro scale characteristics.
Nano–electronics	High speed devices High density low-cost arrays	Plastic based technology – low-cost, flexible.	
Integrated bio-chips (Integrate nano & MEMS)	Field deployable testing		Pragmatic approach High chance for success

Key Opportunities:Technion

Nanotechnology Field	Military Applications	Civilian Applications	Rationale
Nano electronics	Denser and faster electronics. Danser and larger memory	Same as military application	Fast, denser, low currents, inexpensive, utilizes novel effects
Nano optics	Tele-communication fast lasers, Optical switches and logic gates LEDs, IR detectors	Same as military applications	Fast, small, inexpensive, safer utilizes novel effects
Nano Bio	Detection of biological warfare	Healthcare, therapeutics, diagnostics, molecular computing, molecular electronics	Human and environmentally friendly, inexpensive, small, fast, utilizes novel effects
Nano materials	Harder materials, resistance to various external conditions and chemicals	Same as military application	Flexible chemical processing, inexpensive, molecular scale control, harder, more resistant, self repairing, environmentally friendly

Key Opportunities : Hebrew University

Nanotechnology Field	Military Applications	Civilian Applications	Rationale
Nano-electronics and opto-electronics(1,2,3,6,7, 11…)	Sensors and detectors	Integrated optoelectronic on SI chips: Si based lasers, modulators and detectors; optical communication systems, tunable LEDs and lasers	Size dependent optical and tunneling properties of nanoparticles and nano-layers can be utilized for tunable light sources and single electron transistors
Nano- bioelectronics (3,3a,11)	Chemical and Biological Sensors	Sensors for medical and biological essays	
Functional nano-particles (13, 14)	Sensing and marking, material hardening	Catalysis, Environmental applications, bio-markers, fire retardnets. Digital printing. Immunodiagnostics, Cosmetics	
Biocompatible solid interfaces (6,7)		Biology research for medicinal applications	
Medicinal nano-systems (10)	Field sensors and detoxification for nerve gas and biological specieses (viruses) by molecular imprinted nano-particles designed for biological and chemical warfare	Novel drug therapies including gene therapy and peptide and protein delivery systems, detoxification of blood via specific removal of toxicants by interaction with imprinted nano-particles.	Nano-medicine provides a high value added to the biotechnology field by providing the tools for their safe and efficient delivery of specific detoxification systems. The production of the systems is relatively simple and affordable.

Key Opportunities: Weizmann Institute

Nanotechnology Field	Military Applications	Civilian Applications	Rationale
Nanobiotechnology incl. Nano-biophysics and – chemistry		Medical Lab – on – chip	The infrastructure of life sciences exists already and should be combined with nano-technology
New materials	High performance nanocomposites Superlubricants High Performance Smart ceramics	Tribology, catalysts, fuel cells, High density rechargeable batteries, high strength materials	The defense related projects exist already and the beverage of new nano-materials is of substantial potential

Key Opportunities: Bar Ilan University

Nanotechnology Field	Military Applications	Civilian Applications	Rationale
Fabrication of amorphous nanoparticles and nanoporous material, including supported nanocatalysts	Ferrofluids, Lubrication	Ferrofluidics, catalysis, lubrication, drug carriers, medical imaging and cell straining contrast agents, supported catalysis for drug synthesis	Amorphous nanomaterials are more reactive than the corresponding nanocrystalline materials. Nanoparticles and nanoporous structures provide higher surface areas. Israeli nanoscience has great expertise in these areas making it very competitive internation
Nanoscale sensors arrays, including hybrid materials and nanoscale electronics	Nanoarrays detectors for nerve gas, pathogens, toxins, and explosives	Disease diagnostics, high throughput screening, implatable bio sensors, electrical wiring of proteins	Significant Israeli expertise. Urgent priority needs. Cost effective and highly automated/ integrated systems. Screening tools are enabling technology
Surface coating thin films, barrier coatings including electrical and photoactive films	Anti-reflective and anti detection coatings, barrier layers	Bio compatible surfaces, self healing , barriers level against abraision or corrosion, energy collection devices	Short term realistic technology. High value added, low amount material usage.
Optics based on nano-structures	Micro-lens arrays, filters active materials, high power compact solid state lasers	Same as military	New material properties will lead to devices with unique capabilities

Appendix B
Projects Not Addressed Today

Projects not addressed today: Hebrew University

Project Description	Objective	Benefit	Rationale
Quantum Computation	Developing Si-based hardware for quantum computation	Enhanced computation speed is expected to be achieved, in particular for various specific problems such as cryptography.	Due to the well-developed and mature Si technology it is advantageous to employ it also for fabricating devices that will serve as the basis for future quantum computers
Active Bio-Chips and Microfluidity	Integration of Si-based microelectronic technology with biological molecules: triggering biological events *in-vitro,* with possible applications for molecular based electronics, switches, etc.	1. Studying various bio-molecular processes at well defined conditions. 2. Applications for bio-electronics and bio-sensors.	
MEMS, NEMS and MEOMS	Developing these techniques at the HU and implementing them for basis research and technology.	Development of integrated electrical, mechanical and optical platforms for various applications including: opto-electronic, inertial sensors bio-sensors and more.	Most MEMS devices and their derivatives are fabricated using the mature Si technology thus allowing fast integration with electronic chips.
Novel nano-fabrication methods	Development of novel SPM-based nano – lithography techniques that will enable to manipulate molecules and nano-particles and "write" structures with nano-meterscale accuracy and resolution	Providing the means for the final and most crucial step in fabrication nano-devices that will be used for both basis and applied research.	The strength of the Lewis group (at the HU) in developing novel SPM – based applications, on one hand, and the need for SPM–based lithography at the HU, on the other, calls for the development of such an effort at the HU.
Raman and Sum frequency vibrational Spectroscopy of single molecules	Single molecules vibrational spectroscopy	Structure of single molecules on surface	

Projects not addressed today: Tel Aviv University

Project Description	Objective	Benefit	Rationale
Si based Nano-electronics	Advanced Si research	Extend current knowledge Link to future electronics	Relevant to engineering Support micro-technologies
Organic based nano-electronics	Nano-electronics on plastics, polymers	Advanced electronics	Can integrate between chemistry, physics and electronics.
Nano-medical systems	Integrate nano medical technologies	Apply nano-medical technologies	Relevant to the multi disciplinary nature of the center.
Nano-Lithography	Develop novel nano-scale lithography techniques	Support the infra-structure	Allow long term planning and stabilize the nano-processing section
Nano-physical chemistry	Enhance core competency	Support infra-structure	Chemists are the key to the activity

Projects not addressed today: Technion

Project Description	Objective	Benefit	Rationale
Nano-catalysis	Synthesis and properties	Chemical industry	Supported by other projects at the Technion
Environmental studies	Identification and characterization	Medicine, Public Health	Presently, investigated by a small no. of researchers at the Technion
MEMS	Design and fabrication	Micromachines	Supported by another project at the Technion and Magnet
Nanorobotics	Design and fabrication	Medicine, Mechanical Eng.	Presently, investigated by a small no. of researchers at the Technion

Projects not addressed today: Ben Gurion University

Project Description	Objective	Benefit	Rationale
Double tip STM	To develop a technique in which two tips are scanning a surface within nanometer distance	To help study the directional dependency of the electron structure of surfaces. To perform local gatings of surfaces.	Support the fundamental study of nanostructure surfaces

U.S. Nanotechnology Investment (links only)

(Due to the size of these attachments, the URL link to each document can be found below)

1. The original NNI Plan:
http://itri.loyola.edu/nano/IWGN.Implementation.Plan/nni.implementation.plan.pdf

2. The conclusions of the report evaluating U.S. Nano efforts that highlighted the need for more collaboration and integration of dispersed efforts, as well as the need to provide more long-term, basic research investment:

http://books.nap.edu/books/0309084547/html/index.html

3. Comments about the U.S. nanotechnology efforts:

http://www.devicelink.com/mddi/archive/02/07/014.html

4. NANO R&D: IS U.S. GOVERNMENT APPROACH TO FUNDING ALL WRONG?

http://www.semi.org/web/wmagazine.nsf/e1ea2a68535718d9882567cf005f1d96/a283b9d997074e0c88256be3007c9e4a!OpenDocument

U.K. Nanotechnology Priorities (links only)

(Due to the size of this attachment, the URL link to the document can be found below)

1. New Dimension for Manufacturing: A UK Strategy for Nanotechnology:

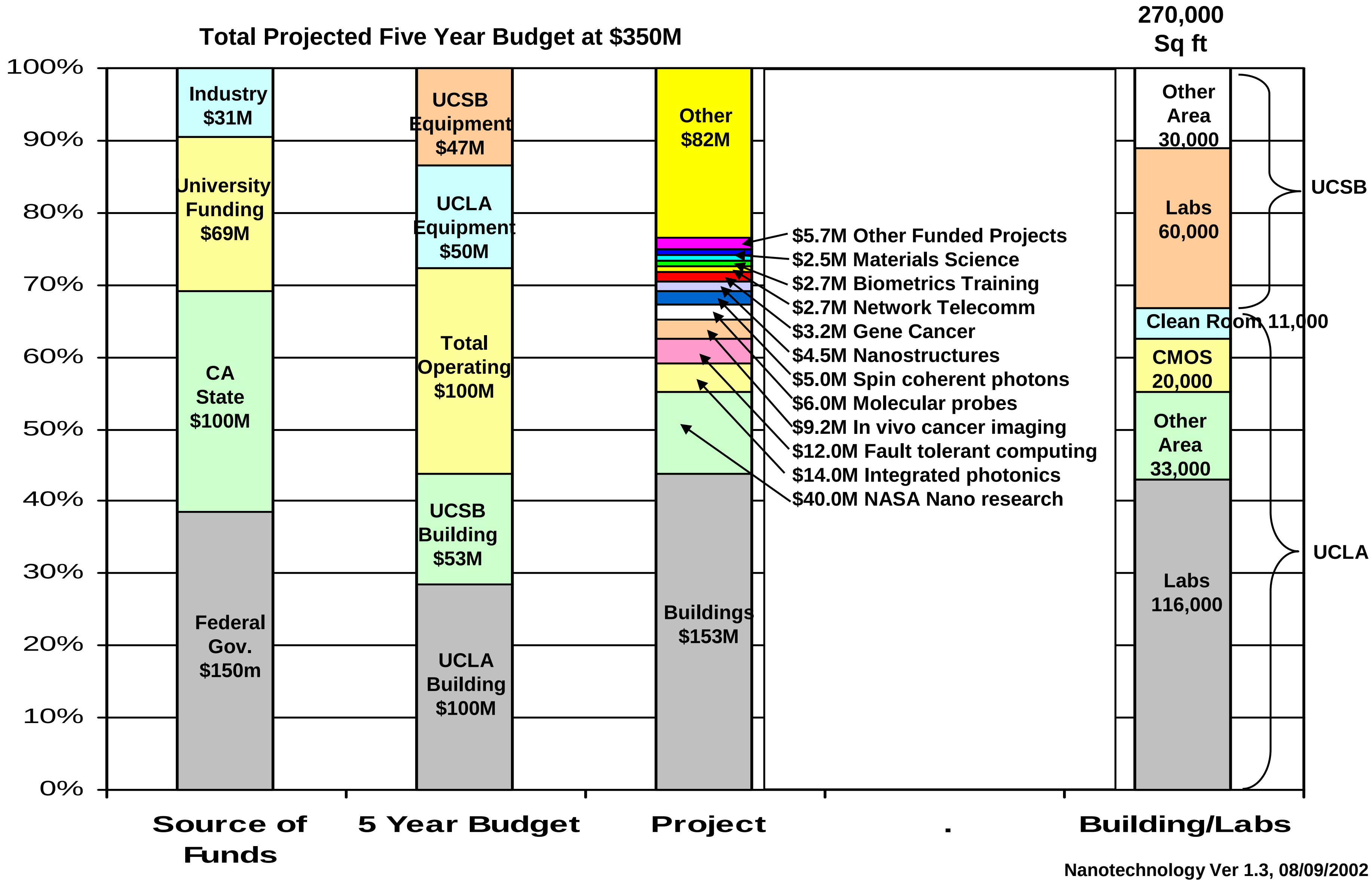
http://www.dti.gov.uk/innovation/nanotechnologyreport.pdf

Nanoelectronics and Nanomaterials (ICTAF)

Due to the size of this attachment, a CD is available on request.

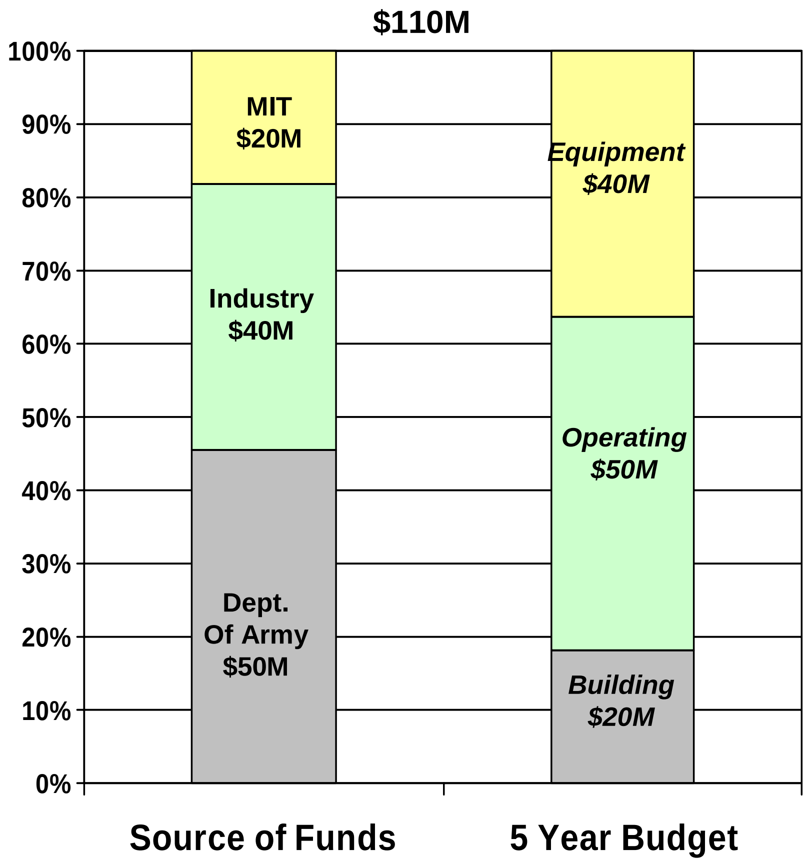
NANOTECHNOLOGY
U.S. Centers: Examples

California Nanotechnology Institute Overview



Nanotechnology Ver 1.3, 08/09/2002

Nanotech Soldier Center at MIT Overview



- SEVEN MAJOR PROGRAMS
  - Energy absorbing materials
  - Active materials
  - Threat detection & signature
  - Soldier medical functions
  - Modeling & simulation
  - Systems integration
  - Manufacturing and materials processing
- NINE MAJOR DISCIPLINES
  - Mechanical Engineering — Aero and Astronautics
  - Electrical Engineering — Micro Systems
  - Chemical Engineering — Nuclear Engineering
  - Materials Science — Computer Science
  - Biotechnology Engineering
- 21 Laboratories as potential participants
  - Artificial muscle - Humanoid robotics
  - Artificial intelligence - Human machine haptics
  - Biopolymers - Leg robotics lab
  - Biotechnology - Space nanotechnology
  - Biomedical - Man vehicle lab
  - Materials and structures - Materials processing
  - Materials science - Microphotonics
  - Chemical EPI - Mobile robotics
  - Computational structures - Nanomechanical lab
  - Control systems - Nanostructure lab
  - Electron microprobe
- Army – MIT 5 year contract signed in March 2002
- Additional $20M in technology acceleration (6.2) funds
- 35 MIT Professors, 20 post doctoral associates and 80 graduate students to support the program. Total 150.
- *Estimate of $20M for building/wing to support project as mentioned in bid documents..could also be leased.*
- Additional industry funding expected
- Center will be at 500 Tech Square, total area not yet allocated
- New Director in process of being hired

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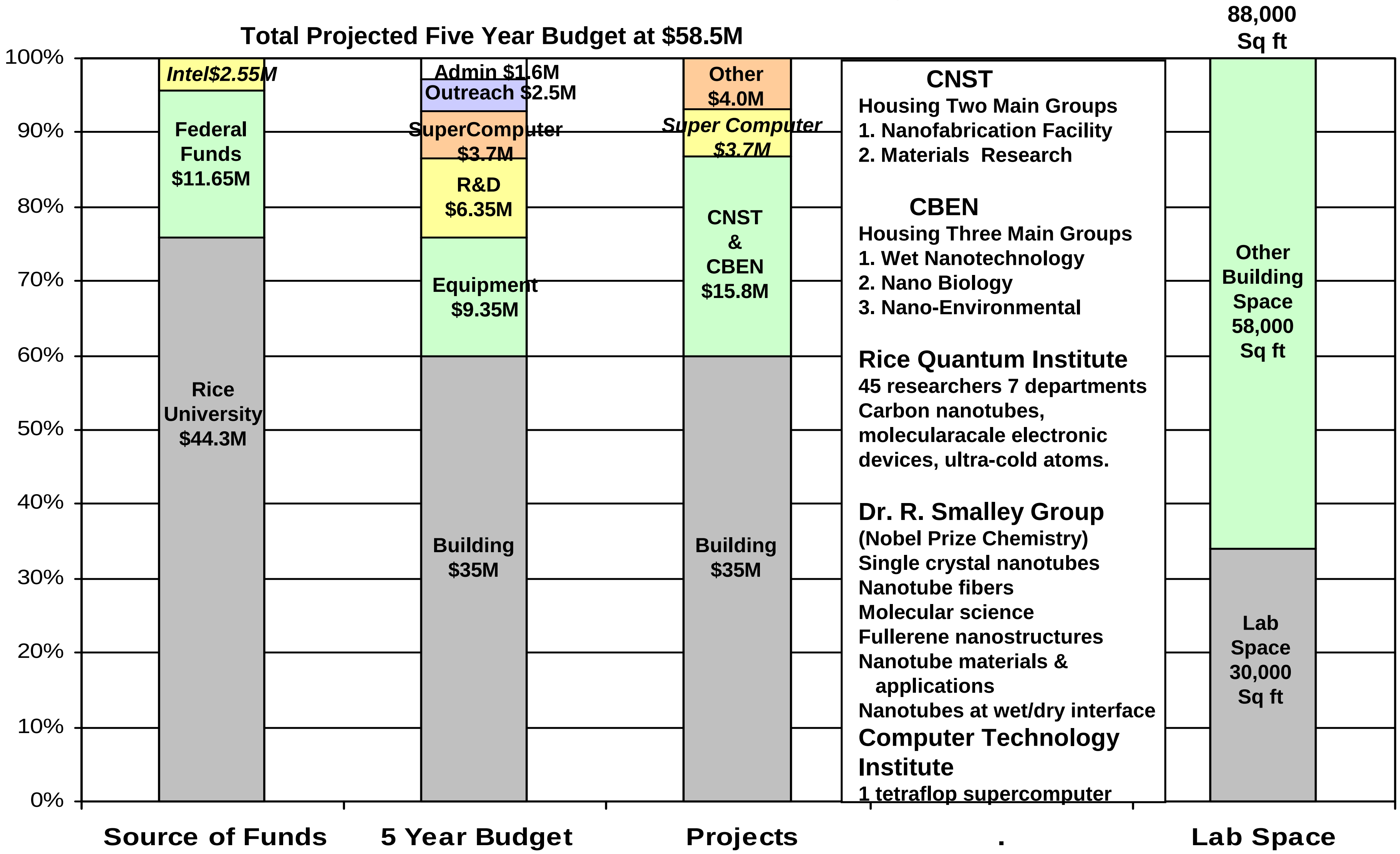
Rice University Nanotechnology Overview



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Nanotechnology for the Defense System

•Budgets and ingenuity are being invested mainly in system development, to answer specific (unique) operational needs.

•Lower priority to the development of technological building blocks.

•Great difficulties to obtain certain state of art (SOA) technologies.

•Results: - use of technologies after they become available commercially

•- many SOA systems include older technologies.

•Today, more than ever, the control of SOA technologies is critical for the development of SOA systems.

Defense Nanotechnology
Use of R&D "central" Budget - Policy

•Identify useful technological building blocks, buy or make (don't be a pioneer, be a sophisticated follower).

•Identify critical technologies – investment in tech-base.

•No support of basic science.

•Exploratory development.

•Guidance of R&D investments of the defense industry.

Defense Nanotechnology Opportunities & Requirements

•Short & long range R&D activity in typical defense technologies.

•Development of technologies that are expected to lead to device/product in relatively short time (e.g. 5 years)

•Examples:

- Nanomaterials (ceramics, metals, organics, composites) for armor, structures, electronics, production methods.
- Nano-energetic materials for explosives, propellants.
- Bio and other sensors for detection of chemical or biological agents.

Summary of Federal Nanotechnology Investment
($US millions)

Department/Agency	2000	2001	2002
Dept. of Defense	70	110	133
Dept. of Energy	58	93	97
Dept. of Justice	0	0	1.4
Environment Protection Agency	0	0	5
NASA	5	20	46
National Institute of Health	32	39	45
National Institute of Standards	8	10	17.5
National Science Foundation	97	150	174
Total	**270**	**422**	**518.9**

Source: National Science Foundation http://www.nano.gov/2002budget.htm

NSF Investments

Directorate	FY 2001 Current Plan	FY 2002 Request
Biological Sciences	2.33	2.33
Computer & Information Science & Engineering	2.20	6.20
Engineering	55.27	70.30
Geosciences	6.80	6.80
Mathematics & Physical Science	83.08	88.08
Total, Nanoscale Science & Engineering	$149.68 M	$173.71 M

DOD Budget request for nanotech

2002	M $
Tech base (AF, NAVY, Army)	70
OSD (Office of Strategic Defense)	30
University – DOD collaborative research:	
AF	10
NAVY	13
ARMY	10
Total	133

Source: National Science Foundation http://www.nano.gov/2002budget.htm#1

DARPA Molecular Electronics (Molectronics) Research Projects

Organization	Title
Molecular Electronics Based on Quantum-Dot Cellular Automata	University of Notre Dame
Multiporphyrin Molecular Memories Riverside	University of California, Riverside
Moleware and the Molecular Computer	Rice University
Theory and Simulation of Moletronic Devices and Systems	Vanderbilt University
Chemically-Assembled, Defect-Tolerant Architectures for Computing and memory Applications	Hewlett Packard and UCLA
Carbon Nanotube Molecular Electronics	Harvard University
Inorganic Self-Assembly Routes to Three-Dimensional Memories	The Pennsylvania State University
A Molecular and-or Gate Pair	University of Colorado
Architectural Design, Analysis, and Prototyping for Next-Generation Molecular Electronic Systems	MITRE Corporation

"BUILD TO LAST" INDUSTRIES

Over the past decade, there has been growing interest in applying the principles of successful business management to the establishment of strong industries[1]. At the same time, there has been an expanding body of research and analysis on the key practices which allow businesses to thrive and succeed through successive business cycles and technological generations[2]. These, combined with some practical experience, allow to draw some observations on the requirements for building strong, sustainable high-tech industries (or "build to last," to borrow Collins and Porras's term).

Specifically, there seem to be four "paradoxical" requirements:

1. **Innovation and Commercialization**: pursuit of innovative research and technology only to the extent that they can be rapidly commercialized into viable, profitable products and services with sufficient market opportunity; conversely, willingness to "cannibalize" existing commercial positions with next-generation innovations.
2. **Focused Vision and Pragmatic Flexibility**: sharp clarity on how new technologies could provide high-value solutions to customers and continuous commitment to delivering such value; at the same time, willingness to "roll with the punches" and modify implementation approaches as required to quickly realize desired results.
3. **Start-ups and Strong Business Enterprises**: valuing individual entrepreneurship and allowing innovators the opportunity to challenge established companies, while at the same time encouraging the development of solid business organizations with the operational capabilities and global infrastructure required for success.
4. **Global Collaboration and Local Excellence**: access to resources on a global basis is critical in order to leverage unique capabilities in technology, costs, materials, etc.; however, there needs to be strong local excellence which allows to build viable business enterprises; only such organizations can build the necessary base of employment required for a self-sustaining industry.

Consistently meeting these requirements could allow local industry to thrive and ultimately reach the critical scale necessary for global leadership. At that stage, there is sufficient local strength throughout the "food chain"–including manufacturers, suppliers, service providers, third-party partners, users, academic researchers, employees (at different skills levels), investors, physical infrastructure, etc.–that the industry is self-sustaining. In other words, it is capable of withstanding multiple macroeconomic, political, and technological shifts–or "built to last."

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[1] One of the most prominent pieces in this area is: Michael E. Porter, *The Competitive Advantage of Nations* (New York: The Free Press, 1990)

[2] See James C. Collins and Jerry I. Porras, *Built to Last: Successful Habits of Visionary Companies* (New York: HarperCollins, 1994), as well as Clayton M. Christensen, *The Innovator's Dilemma: When New Technologies Cause Great Firms to Fail* (Boston: Harvard Business School Press, 1997)

Nanotechnology Programs – Financial Resources
1.INFRASTRUCTURE
($ First approximation)

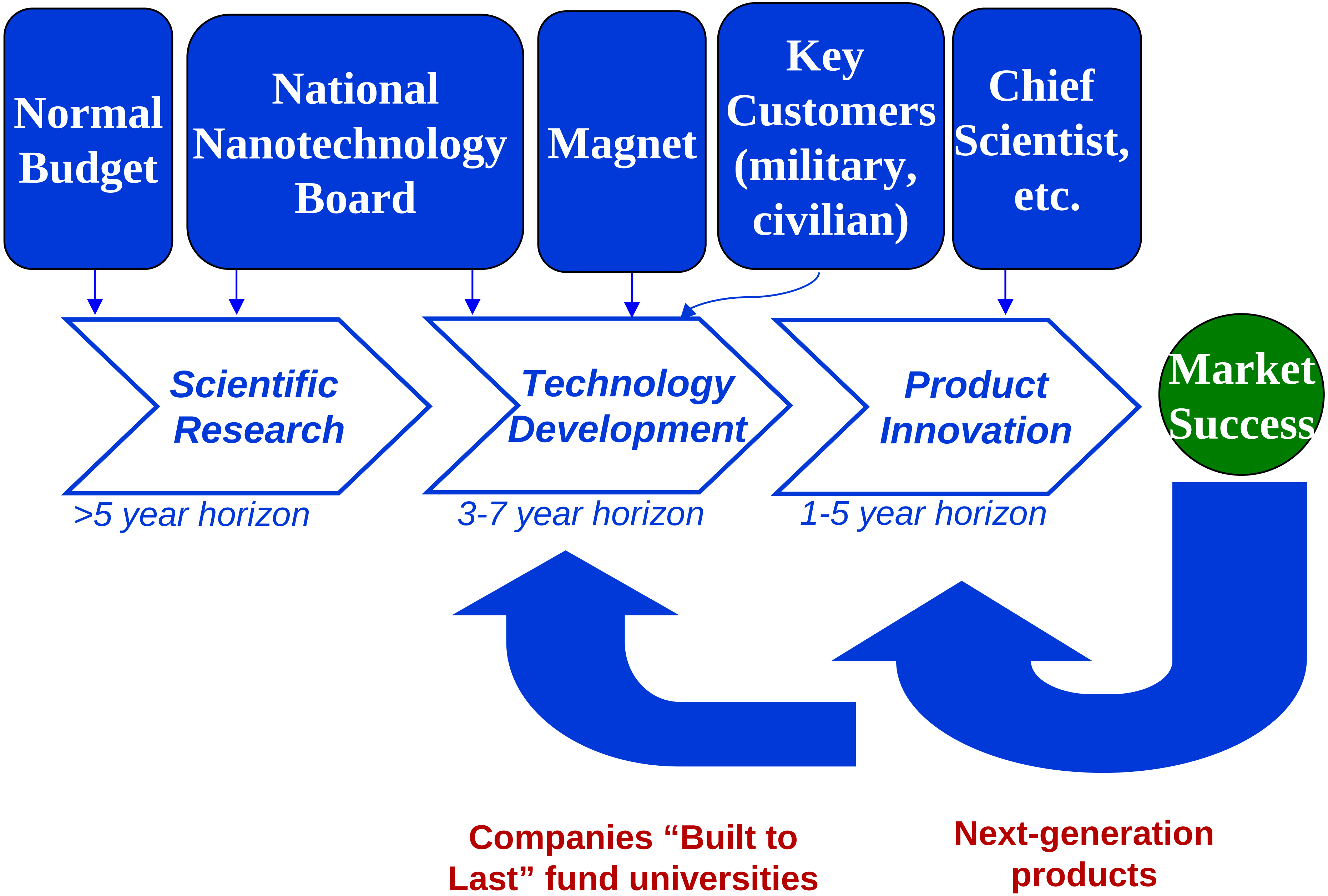
Organization	5 years commitment *	Sources
Private Funding	25,000,000	Private Donors
University matching X2 to Private Funds	50,000,000	Financial resources budgets 30,000,000 and contributions 20,000,000
National resources matching X1 Private Funds	25,000,000	Financial resources are TELEM 25,000,000
Total Funding (1)	100,000,000	

* Not approved yet

Nanotechnology Programs - Financial Resources
2.PROJECTS
($ First approximation)

Organization	5 years / to be negotiated	Comments
Ministry of Industry MAGNET	25,000,000	
Ministry of Defense	2,000,000	
US-Israeli BSF	400,000	
European R&D Commission	2,000,000	Require Academy-Industrial cooperation
Sub total (2)	29,400,000	
Industry	For discussion	

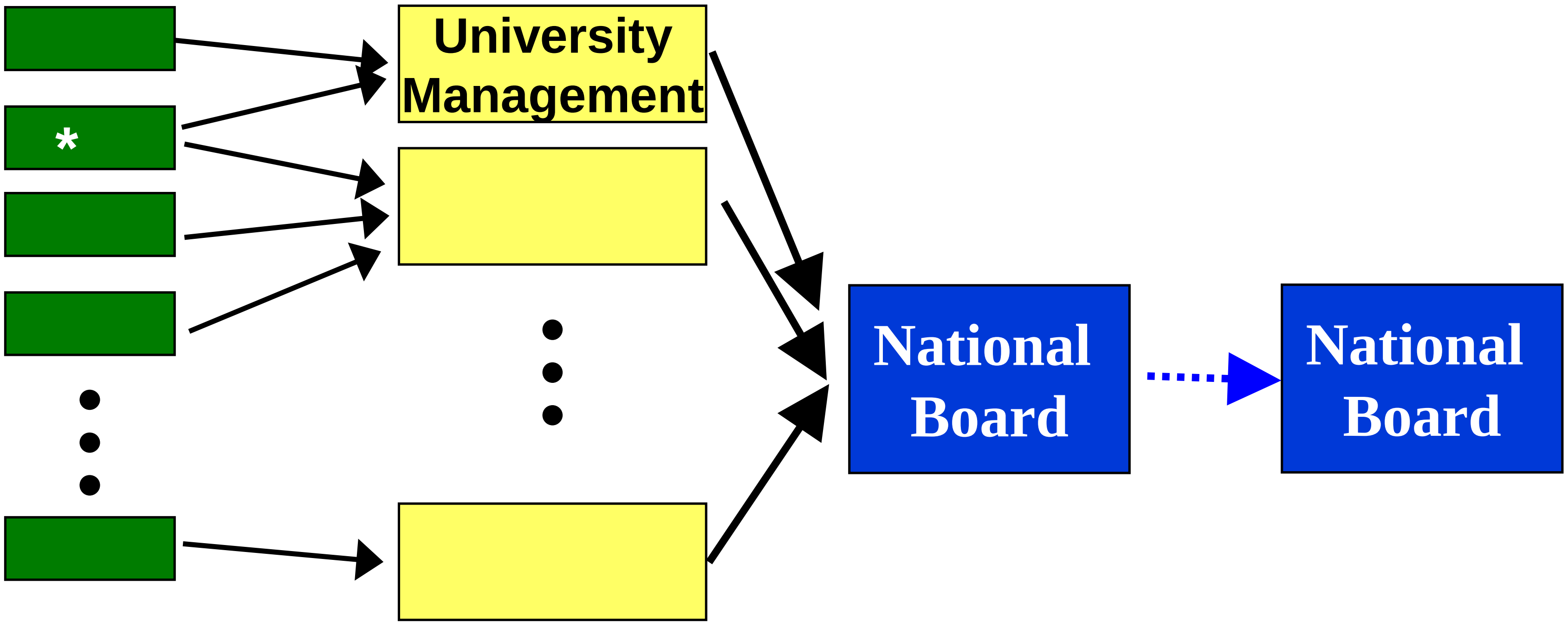
Overall Funding Model



SENSITIVE

Investment Process

Project Request | **Screening** | **Approval** | **Follow-up**



Researcher / Group

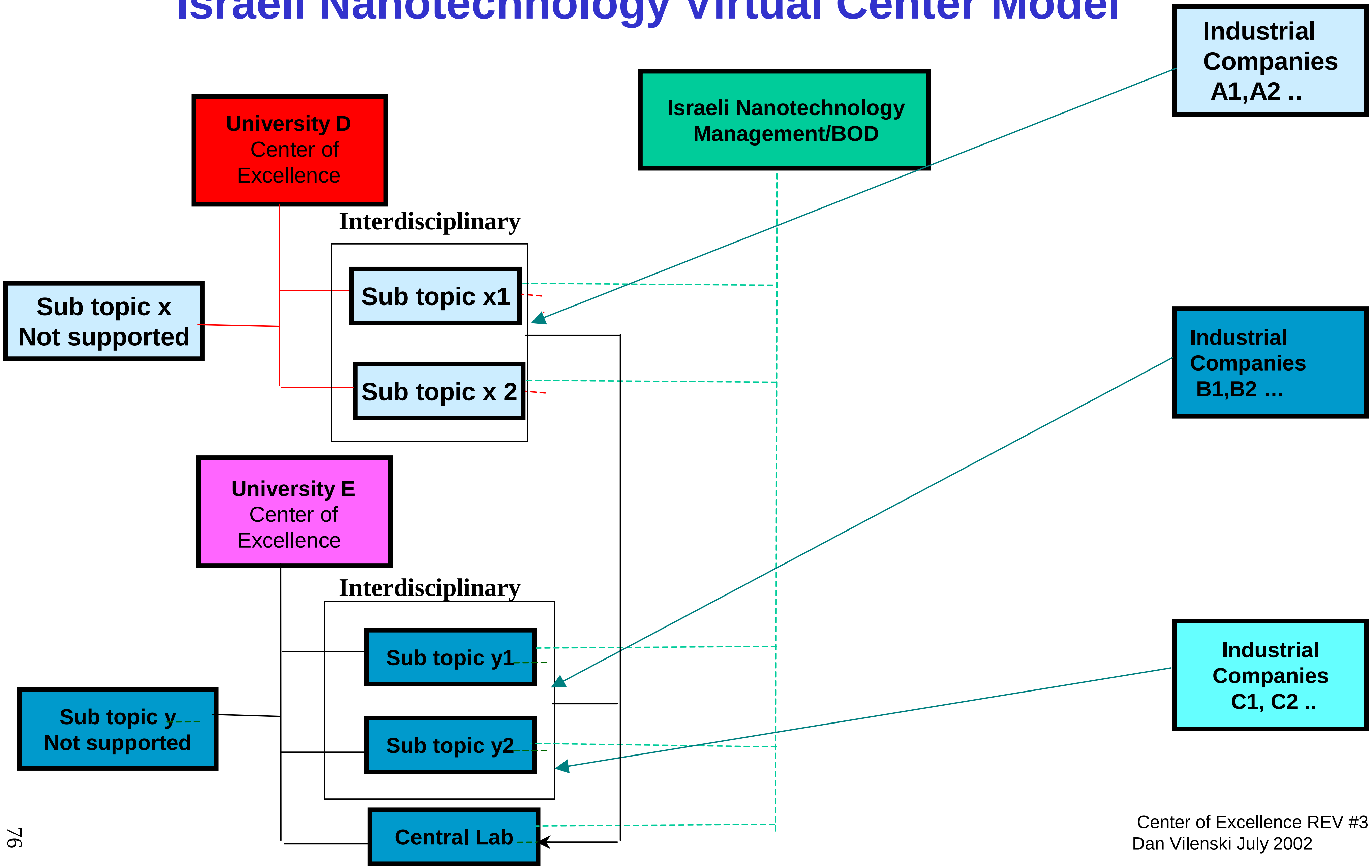
Criteria:
- **Applicant's qualifications**
- **Fit with national priorities**
- **Incentives for** collaboration

Criteria:
- **Relevance**
- **Excellence/ track record**
- **Incentives for:**
  - –Matching funds
  - –Cross-university collaboration

Performance Evaluation

** Collaborative projects: joint submission by respective institutions*

Israeli Nanotechnology Virtual Center Model



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Forecasting the development of nanotechnology with the help of science and technology indicators*

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Abstract
Nanotechnology is supposed to become one of the key enabling technologies of the 21st century. Its economic potential is forecast to be a market of several hundred billion Euros in the next decade. Therefore, nanotechnology has attracted the interest of many industry sectors and many companies redirecting internal activities to prepare themselves for this new challenge. At the same time governmental R&D decision makers all over the world are setting up new nanotechnology-specific research programmes aiming at putting their respective countries in a favourable position for the future. The aim of this paper is to use scientific and technological indicators to make predictions on economic development and to compare the situation in different countries.

1. Introduction

In the last two decades, nanoscience has made big progress. We have witnessed many important scientific discoveries and technological breakthroughs. Exemplary breakthroughs are the invention of the scanning tunnelling microscope in 1982 [1] or the discovery of fullerenes in 1985 [2]. A few nanotechnology-based products are already commercially available. However, does actual scientific knowledge justify the world-wide enthusiasm? How likely is it that the world-wide market size will be more than $1 trillion annually in 10–15 years from now [3]?

To evaluate the potential of mature technologies is not easy. For an emerging technology, such as nanotechnology, this task is even more difficult. A forecast, however, can be attempted using a set of indicators that in the past have proven to give good results to predict the potential of other emerging technological fields. The two most obvious indicators are the number of scientific articles and the number of patents. The former is usually a good indicator for scientific activity, the latter for the ability to transform scientific results into applications. Figure 1 shows the evolution of publications and patents in nanotechnology from the beginning of the 1980s up to 1998. The data on the world-wide number of publications in nanotechnology have been extracted from the Science Citation Index (SCI) database. The nanopatents are those filed at the European Patent Office (EPO) in Munich. The EPO patents cover the rights for a large number of countries and are therefore usually more expensive than national patents. In view of the large coverage and the higher cost, it appears reasonable to assume that the inventors are confident that they may exploit the patent commercially. The list of nanoscience- and nanotechnology-related keywords for extracting the publication and patent data, as well as the methodology, is reported elsewhere [4].

Between 1980 and 1985, the number of publications is rather modest, but slightly increasing year by year. From 1986 onwards, an acceleration of the number of publications is visible. This jump can be attributed to the fact that the scanning tunnelling microscope was invented some years before [1], and started to penetrate as an efficient research tool in academic and industrial research laboratories, favouring research at the nanoscale. The publication rate continues to increase, and additional acceleration peaks can be attributed on one hand to the availability of atomic force microscopes (invented in 1986 [5]) broadening the range of applicability with respect to STM to non-conductive structures, and on the other hand to significant breakthroughs, such as the discovery of the buckyball molecule C60 in 1985 [2] or carbon nanotubes in 1991 [6]. For the period between 1989 and 1998, the increase in the number of publications is impressive, jumping from 1000 publications to more than 12 000 in 1998.

* The views expressed in this article are those of the authors and do not necessarily reflect the official European Commission view on the subject.

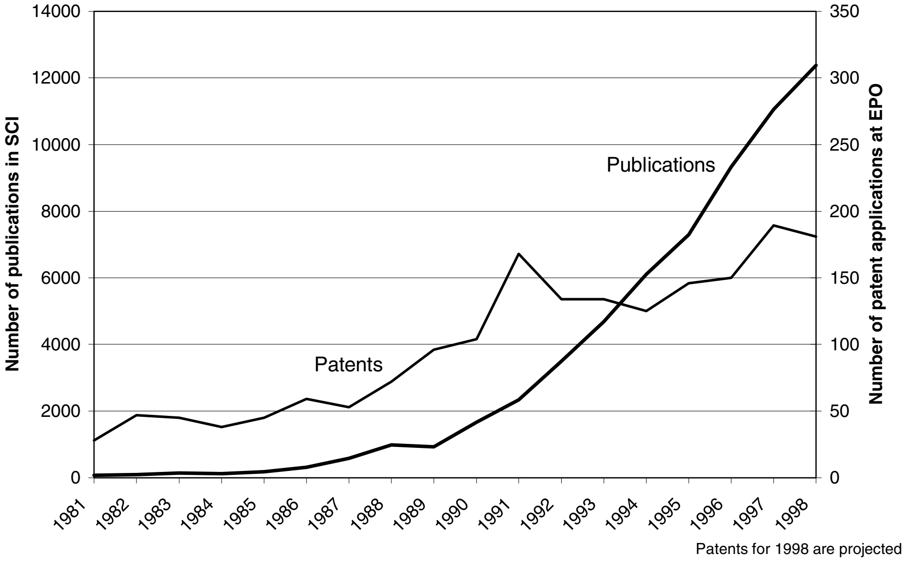

Figure 1. Publications and patents in nanotechnology from 1981 to 1998 world-wide. The number of publications comprises all nanotechnology-related articles published world-wide and covered by the SCI database. The data have been extracted searching the nanotechnology keyword list given in [8]. A similar keyword list, which can be found in the same reference, has been used for retrieving the nanotechnology patent field at the EPO. Note the different scales for the two curves. Sources: SCI, EPO Database (EPAT) and own calculations.

The average annual growth rate is 27% and the yearly increase fluctuates from 10 up to 80% per year. Previous data from the US patenting office [7] show a similar evolution to the European data.

The number of filed patents is an appropriate indicator to estimate the capacity of the laboratories to transfer their research results into industrial applications. Figure 1 shows the development of the numbers of patents in nanotechnology at the EPO for the same period as the scientific publications. As generally expected, the number of patents follows the pattern of the scientific publications with a certain time delay. Over the whole 1981–98 period, the curve shows a clear increase in the number of patents, from 28 up to 180, with an average growth rate in the 1990s amounting to 7%. This patent curve shows larger fluctuations with respect to the publication data. This is due to the effect that statistical fluctuations have more impact when applied to a smaller number of data. In addition, industrially relevant technological breakthroughs in a specific year have a more significant weight.

The evolution of the scientific and technological activity on nanotechnology can be compared with previous enabling technologies. In a first approach a lineal technological development model can be employed. For such a model, which is stylized in figure 2, Grupp [8] has defined eight phases, in which he describes the evolution from basic research to the massive penetration of products. Phase I defines when exploratory scientific work begins. Science continues to make further progress while technology starts to emerge (phase II). In phase III the scientific basics are mostly understood and the first technological prototypes appear. Difficulties at the transformation into commercial applications appear (phase IV) and progress in science and technology seems to stagnate (phase V). Following a reorientation in industrial research new opportunities emerge (phase VI) and commercial applications appear, which mobilize extensive industrial research activities (phase VII). Finally, all markets are penetrated and the volume of research diminishes with respect to the production of innovative products (phase VIII). Such a model, based upon publications and patents as indicators, gives good results when used to explain today's mature technologies such as biotechnology or microsystem technology [9].

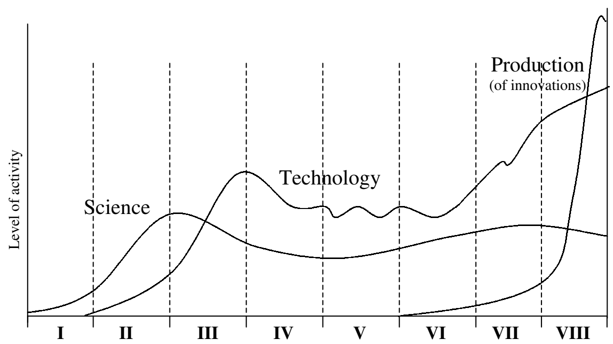

Figure 2. Stylized technological development. For an enabling technology, the evolution of scientific activity (publications), technological activity (patenting) and commercialization is sketched as a function of time [8]. Following a theoretical model, the actual situation of nanotechnology would be roughly in development phase II and III.

Comparing both the patent and publication nanotechnology data (figure 1) with the model (figure 2), the field of nanotechnology as a whole appears to be currently at the end of phase II or early phase III. Assuming that the model describes the data correctly, the peak of scientific activity in nanosciences is still to come, possibly in three to five years from now, and large-scale exploitation of nanotechnological results might arise ten years from now. In a first approximation, the curve for nanotechnology (understood as the ensemble of all technologies operating at the nanoscale regime) can be seen as the convolution of a number of nanotechnologies for different purposes, whose timely evolution might change significantly. For example, nanoscale electronic devices are supposed to be a

Table 1. Publications and patent share for the 15 most active countries. The data are given as a fraction (percentage) of the world-wide production. The period for publications in nanotechnology comprises the years between 1997 and 1999. In the case of patents registered at the EPO and PCT, the period covers the years from 1991 to 1999. This enlarged period is chosen as the absolute numbers of patents per year are small and may be distorted in the case of shorter time periods. Sources: SCI, EPAT, PCT database (PCTPAT) and own calculations.

	Publications (1997–99) (%)		Patents EPO&PCT (1991–99) (%)	
1	23.7	USA	42.0	USA
2	12.5	Japan	15.3	Germany
3	10.7	Germany	12.6	Japan
4	6.3	China	9.1	France
5	6.3	France	4.7	UK
6	5.4	UK	3.7	Switzerland
7	4.6	Russia	2.0	Canada
8	2.6	Italy	1.7	Belgium
9	2.3	Switzerland	1.7	Netherlands
10	2.1	Spain	1.7	Italy
11	1.8	Canada	1.4	Australia
12	1.8	South Korea	1.1	Israel
13	1.6	Netherlands	1.1	Russia
14	1.4	India	0.9	Sweden
15	1.4	Sweden	0.5	Spain

huge market but may reach the market place only 12–15 years from now. At the other extreme, TiO_2 nanoparticles used as UV-B ray absorbers in sun-cream lotions or nano-sized carbon particles (carbon black) employed to increase the wear resistance of tyres are already on the market.

Currently, slightly more than one-quarter of all patents filed are focused on the instrumentation [7]. This supports the view that nanotechnology is at the beginning of the development phase of an enabling technology where the first focus is to develop suitable tools for nanostructuring of surfaces, the production of nanomaterials, the analysis of nano-objects etc. By industrial sectors, the most important ones are information technologies (IT), and pharmaceutics and chemicals. For the first sector, massive storage devices, flat panel displays or electronic paper are prominent IT patenting areas. In addition to this, extended CMOS approaches and alternative nanoscale information processing, transmission or storage devices are also dominant, the reason being the continuous shrinking process of CMOS technology, which—following the semiconductor industry associations and other forecasts [10, 11]—will soon reach the nanometre regime (forecast 22 nm gate length for processors in the year 2011). Being well aware of the apparent problem for the future, the semiconductor industries have already started to investigate solutions towards extending CMOS into the nanoscale as well as novel devices operating at the nanoscale.

In the case of chemistry and pharmaceutics, a large number of patents are directed towards finding new approaches for drug delivery, medical diagnostics, cancer treatments etc, which are supposed to become huge future markets. Nanotechnology patenting for other sectors, such as aerospace, construction industries, food processing, automotive, oil refining, environmental monitoring etc shows yearly increasing values, but their absolute numbers are smaller with respect to the areas discussed above (instrumentation, IT, and pharmaceutics and medicine).

2. The world-wide actors

Most countries have activities in nanoscale science and technology. The 15 most active countries in terms of publications and patents are given in table 1. The publications, recorded for the period 1997–99, are divided by the country of their authors' affiliations. The data for the patents cover a larger period, namely from 1991 to 1999, and include the EPO patents as well as those of the Patent Cooperation Treaty (PCT). The PCT patents are filed at the World Intellectual Property Organization (WIPO) in Geneva and can afterwards be transferred to any national patent office in the world or to the EPO. Double-counts between PCT and EPO patents are eliminated. The additional analysis of the international PCT patents reduces distortions due to the bias of the number of EPO patents towards Europe. In addition, the higher number of analysed patents improves the statistical reliability to compare countries.

The most active country in nanoscale research is the United States, with roughly one-quarter of all publications, followed by Japan, Germany, China, France, the United Kingdom and Russia. These first seven countries alone account for nearly 70% of the world's scientific papers on nanotechnology. All EU member states and most EU candidate countries (except Luxembourg where there is no university) are among the top 50 (not shown here). The shares for China and Russia are outstanding in comparison with their general presence in the SCI database and show the relatively strong significance of nanoscience in their research systems. The same table shows the number of patents at the EPO by country. A comparison of the most active countries in publications with those of patents shows that most of the first 15 countries are in common. However, the spread between the countries is significantly larger. Note that the first country (US) publishes 16.9 times as much as the fifteenth (Sweden), but files 84 times more patents (US with respect to Spain).

The absolute values of publications and patents, however, are not the most appropriate way to measure the effectiveness of the countries. For this purpose, the data need to be normalized. There are many possible methods for such a 'normalization', for example by the gross national product, GNP *per capita*, the country's investment in research etc. Unfortunately, none of them is without complications. For example a normalization by the country's research investment is difficult as usually only the governmental spending is publicly available.

Table 2. Publications and patent ranking normalized by size of country for the 15 most effective countries. The period for publications in nanotechnology comprises of the years between 1997 and 1999. In the case of patents registered at the EPO and PCT, the period from 1991 to 1999 is taken, due to the fact that the absolute numbers of patents per year are small and may be distorted. The population data are taken from the Population Reference Bureau (PRB) data for mid-2001. Sources: SCI, EPAT, PCTPAT, PRB and own calculations.

	Normalized publications (1997–99) per million inhabitants		Normalized patents EPO&PCT (1991–99) per million inhabitants	
1	150.2	Switzerland	12.2	Switzerland
2	91.4	Israel	4.4	Germany
3	73.5	Sweden	3.9	Israel
4	61.5	Germany	3.8	Belgium
5	56.9	Denmark	3.6	France
6	56.8	Singapore	3.5	USA
7	52.6	Austria	2.4	Netherlands
8	50.0	France	2.4	Sweden
9	48.3	Finland	2.3	Japan
10	47.7	Netherlands	1.8	UK
11	46.4	Japan	1.5	Canada
12	43.6	Belgium	1.3	Australia
13	42.7	UK	1.0	Austria
14	39.2	USA	0.5	Italy
15	36.0	Slovenia	0.3	Spain

The financial effort from industry is to a large extent not published; however, the industrial research effort is generally more prone to deliver patents. In spite of the difficulties of finding a good normalization factor, we can assume that, in a first-order approximation, the efficiency and productivity of countries can be depicted by dividing the number of publications by the country's population. Based on the previous table, table 2 lists the 15 most productive countries per million inhabitants.

In this ranking, Switzerland comes out top. This is not astonishing, as since the invention of the STM at the IBM Zurich laboratories, Switzerland has maintained a long tradition in nanotechnology research. Many world-class laboratories exist, and the Swiss government has played an active role in promoting nanotechnology through different specific programmes. The high value in the table may be partially distorted by the fact that the international CERN institutes appear in the database research as Swiss. However, even removing CERN from the data, Switzerland would still remain at the top of the list. Israel, another ten European states, Singapore, Japan and the USA complete the rest of the first 15 countries for publications. Most of these countries find themselves also in the list of the most efficient ones for patent filing. As already observed in the table for the absolute values, the spread between the most effective countries for patenting is roughly ten times larger (12.2–0.3) than for publications (150.2–36.0). This indicates a larger capacity to transfer research results into potential applications for some countries with respect to others. The USA is an exemplary case, it is only in position 14 in terms of publications per million inhabitants (39.2), but climbs to position number 6 for EPO&PCT patents per inhabitants (3.5). Such a large divergence between the ranking in normalized publications and patents may be explained by close academia—industry collaborations and by cultural influences (for example, additional financial incentives for academic personnel). China, which is the fourth most active country in absolute publications (6.3% share of the world-wide value, table 1), disappears in the normalized table (with less than 0.01 publications per million inhabitants) due to its huge population. Russia does not appear in the normalized tables as it occupies place 18 for both publications and patenting (with values of 15.0 publications per million inhabitants and 0.16 patents per million inhabitants)[1].

3. Conclusions

Science and technology indicators can give insights into the stage of maturity of a given technology and may be used to depict scenarios for future evolution and for decision makers to design an appropriate strategy. Nanotechnology—as a whole—is still an emerging area with the need to make progress in both scientific and technological terms before massive commercialization of products may occur. Some nanotechnology-based products are already on the market and others will follow. A forecast of which will be the most promising application to reach the market would require a more detailed analysis of the nanotechnology indicators by the industrial sector and by nanotechnology sub-areas. Such a prediction based on indicators is currently difficult to carry out due to the fact that nanotechnology is still an emerging area, and due to its cross-cutting nature it is difficult to make assignments to a sectorial or industrial branch.

An indicator analysis of nanotechnology activity by country confirms that the scientific expertise is not evenly distributed across the industrial countries, and that for countries with similar scientific potential some of them are more capable of transferring research results into application and, finally, into industrial products.

Acknowledgments

The authors thank Hervé Pero, Renzo Tomellini and Ben Tubbing for their critical reading.

[1] Note that for the time period 1991–93 the data for Russia are not available, as it belonged to the former USSR. However, the number of missing patents is expected to be small and should hardly have any influence on the discussion of the data.

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