



EPIC ANNUAL REPORT 2007



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PRESIDENT'S OVERVIEW

by Jean-François COUTRIS
President of EPIC



Sales figures for photonics components and systems manufactured by European companies grew by more than 15% to more than 36 billion euros in 2007. The strongest sectors are defence, lighting, lithography, photovoltaics, and communications. Production resources are well-balanced between diverse economic areas which is a very encouraging development. It is a principal strategic objective of EPIC to achieve and maintain this kind of balance.

During 2007, the Board of Governors reviewed the strategic plan, modified objectives to reflect new opportunities and projected the plan into the future in order to maintain a long-term view. We have made changes in three main areas:

Technology focus

Observing the exceptionally strong growth of the photovoltaic industry especially in Europe, EPIC has added a technology focus area in thin-film photovoltaic cells and systems. Installed photovoltaic power reached nearly 10 Giga watts world-wide in 2007. This is about 10% of installed wind turbine power and about 3% of installed nuclear generating capacity. Nearly half of all the photovoltaic installations in the world last year were made in Germany with Spain in second place. Market tracking information for photovoltaics and other energy sources is now available for members only on the EPIC website.

Organisation of R&D activities proposals

EPIC organised teams for R&D proposals in automotive safety and in fiber lasers. EPIC is seeking to lower the cost of proposal preparation for its members, to consolidate similar ideas and so minimise unproductive duplication and competition among its members and to build synergy and networking between EPIC members.

Development of services for individual members

EPIC offered services to respond to needs of individual members. We worked on search and recruitment of personnel, technical audits, market studies, strategic planning and proposal preparation for individual members. EPIC wants to provide value to its members where they need it.

EPIC continues to play a very strong role in a number of departments of the European Commission, including the Photonics Unit. Major EPIC initiatives in photonics for automotive safety and support for small business R&D are showing promising results.

EPIC encourages its members to participate actively in the Photonics Technology Platform so that the initiatives proposed by this body reflect the views of its members. EPIC urges its members to join the Board of Stakeholders as an effective way to ensure good governance and effective operation of Photonics21.

On the operations side, EPIC operated according to its budget in 2007, generating a positive result which has contributed to building its reserves. Your Board will be working on building reserves so that EPIC can continue to improve its effectiveness as a professional organisation and to return greater value to its members.



REPORT OF THE GENERAL SECRETARY

by Thomas P. Pearsall

This year has been an important one for European photonics businesses. The business climate was favourable, leading to strong growth in all photonics sectors. Investment in new telecommunications systems in Europe increased by more than 10% compared to 2006, and established that this important component of the photonics business picture is now back on track. Substantial projects for installation of Fiber-to-the-Home will help to extend this growth for the future. Progress toward Europe's first LCD flat-panel display manufacturing facility continued with the approval by the European Commission for state aid from Italy to build a plant near Naples. Photovoltaic installations surged by 60% in Europe.

In 2007, EPIC grew by more than 10% to 80 members, and we are pleased to give a hearty welcome to each of them. We implemented new services and benefits to members, including personnel searches, technical audits, initiatives for small businesses and planning for commercial trade missions. Our aim is to bring more revenues and resources to our members.

EPIC is a strong leading partner to the International Optoelectronics Association which includes the OIDA in the US, the OITDA in Japan, KAPID in Korea, PIDA in Taiwan, Optec-Net in Germany, and associations in Scotland, Australia, Hong Kong and Singapore. We have involved IOA members directly in our European projects like ACCORD. We will continue to build these relationships in 2008.

This year we have all experienced the first results from the new Photonics Unit in Framework Program 7. The photonics call issued in June, 2007 faithfully reflected topics emphasized in the photonics Strategic Research Agenda. The presence of the photonics platform has also raised interest in the community, leading to a significant over-subscription rate of 7 proposals submitted for each proposal retained for funding. The time and money spent by our members on unsuccessful proposals represent a significant loss of resources, and EPIC will work to improve this situation.

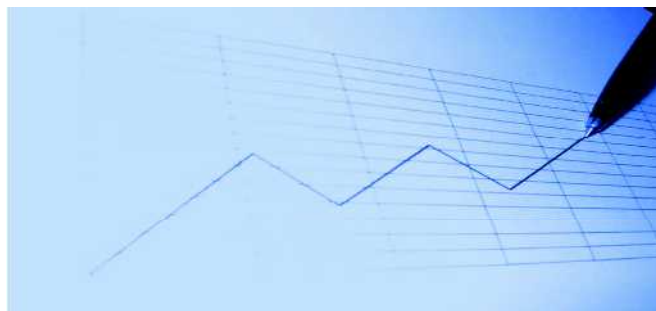
In the 2009-2010 proposal cycle EPIC will continue to serve its members by organising proposal teams to target directly R&D funding opportunities, and to reduce unproductive overlap and competition where possible. EPIC will continue to serve its members by searching for opportunities for support elsewhere both within the Commission, and beyond the Commission's programmes.



Thomas P. Pearsall,
EPIC Secretary General

*EPIC's aim is to
bring more
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SUMMARY BALANCE SHEET



ASSETS

	2006	2007
Cash	70 246	35 741
Charges paid in advance	1 252	183
Membership fees receivable	14 500	27 529
Payments due from EU	0	76 728
Fixed Assets	2 640	1 688
Total Assets	88 638	141 869

LIABILITIES

	2006	2007
Accounts payable	1 772	24 740
Social charges payable	49 197	53 191
Retained earnings	22 937	41 818
Income paid in advance	14 732	22 120
Total liabilities	88 638	141 869

INCOME

	2006	2007
Annual Membership Fees	200 017	200 237
European Programme participation	112 850	195 134
Sale of services	1 626	6 934
Total Revenues	314 493	402 305

EXPENSES

	2006	2007
Operating costs	134 044	186 096
Taxes	9 689	10 788
Salaries	124 266	130 513
Social Charges	63 038	55 483
Provision for depreciation	756	542
Total Expenses	331 793	383 422

EPIC ACTIONS IN 2007

Workshops, Conferences & Presentations

- MONA Workshop on Building a Nanophotonics Roadmap
San Jose, USA, 25 January 2007
- Photonics in 2006-2008: a roadmap for market developments
Eindhoven, The Netherlands, 12-13 February , 2007
- Automotive Consortium on Photonics in the Automobile
Audi, Ingolstadt, Germany, 26 March 2007
- Consultation and Workshop on Assessment of Prototypes at
the European Commission
EC, Brussels, Belgium, 27 March 2007
- Fiber Laser Consortium
EPIC, Paris, France, 27 April 2007
- EPIC exhibited at LASER World of Photonics 2007
Munich, Germany, 18-21 June, 2007
- EPIC actions 2006-2007 at IOA
International Optoelectronics Association
Munich, Germany, 21 June, 2007
- Presentation by T.P. Pearsall on Technologies, Markets &
Resources for European Manufacturers at PIRA INTERTECH
Workshop on LEDs and OLEDs in Displays & Lighting
Cologne, Germany, 23-24 July, 2007
- Workshop on LEDs Manufacturing for Lighting & Displays
Berlin, Germany, 10-11 September, 2007
- EPIC workshop on Photonics on Silicon
ECOC 2007, Berlin, Germany, 16 September 2007
- Symposium on Broadband Access Technologies
ECOC 2007, Berlin, Germany, 17 September 2007



Reports

In November 2007 the report on LEDs: Manufacturing Technologies 2008 was published by Yole Développement based on the outcomes of the Workshop on LEDs Manufacturing for Lighting & Displays which took place in Berlin, Germany on September 10-11. The report was distributed at no charge to EPIC members. It is now on sale to non-members for 3900 .



EPIC Website

During 2007 EPIC has continued to innovate its website <http://www.epic-assoc.com>. New additional sections have been created like a section for job opportunities, more information about funding in Europe or marketing intelligence in the members restricted area.



EPIC PARTICIPATION IN EUROPEAN PROJECTS IN 2007

In 2007, EPIC led the organisation of two major project proposals involving EPIC members: ICAREUS, a coordination action to implement safety systems in the automobile and EIFFEL, an integrated project for assessment of fiber laser systems.



In addition, EPIC was a major partner in the following proposals:

- SPRITE: a support action to develop Photonics Platform activities and initiatives on a European level beyond the interest of the Photonics Unit of the Commission
- DAPHNA: a support action to develop the interest of young persons in photonics
- PHORACLE: a support action aimed at developing a virtual educational resource for photonics
- JEPPIX: an integrated project to develop a photonics foundry for III-V semiconductors
- OLED-100: an integrated project to develop the next generation of OLED devices for lighting applications which has been retained for funding.

One successful proposal out of seven applications is consistent with the statistics published by the European Commission showing that 1 out of 7 submitted proposals is retained as a project.

EPIC membership fees are used to fund the effort needed to prepare proposals. Each decision to participate in a proposal preparation was reviewed by the Board of Governors, with reference to an overall strategic plan to obtain a level of European funding that would contribute approximately 30% of EPIC revenues through the year 2010.

We are pleased to report that we have been successful in winning this level of sustained support.

OLED-100

The overall goal of OLED-100 is to develop all the necessary technologies forming the basis for efficient OLED applications for the general lighting industry in Europe.



This project will start in September 2008 and will run for 36 months. EPIC will participate in the dissemination activities of the project, and will particularly be involved in the project website and the newsletters.

ACCORD: Advanced Components Cooperation for Optoelectronics Research and Development

The ACCORD project completed its first year running very successfully, and prepared for a second call for both components and R&D proposals in 2008. The Accord program is the first of its kind in Europe. It provides performance assessments for pre-commercial components, particularly valuable for SMEs, and creates links between companies and universities that may lead to job opportunities for students and possible future R&D collaborations.



At the end of 2007, two calls have been completed with a high response rate which allowed funding 6 projects for more than 125.000 euros, involving cooperative actions between SME and universities. More information can be found on: www.ist-accord.org

MONA: Merging Optics and Nanotechnologies

The MONA project, involving 7 EPIC organizations, has been successfully concluded at the end of 2007, following the publication of the European roadmap for photonics and nanotechnologies.



This first version of the Roadmap highlights the opportunities for technology and business leadership related to nanotechnologies and their impact on photonics. You can download your copy at no charge at: www.ist-mona.org.

OPERA-2015: Optics and Photonics in the European Research Area

The OPERA-2015 project terminated at the end of April 2008. The main objective of OPERA-2015 was to support the creation of the Photonics²¹ Technology Platform through the stimulation of actions and initiatives at the local, the national, and the EU levels. OPERA-2015 has fostered links between industry and research in order to strengthen Europe's competitiveness. During the 3-year project EPIC has been in charge of communications and organised three workshops to help reach this goal.



Photonics Technology Platform & Framework Programme 7

At the end of 2007, the Photonics Unit of the European Commission had completed its first cycle of proposal solicitation and project funding. The Commission has awarded 90 million euros to R&D projects involving optics and photonics. Some key funded projects are:




- **PHOTONICS4LIFE** Network of Excellence on emerging field of Bio-Photonics
- **HELIOS** CMOS foundry
- **PHOTONFAB** Access to CMOS foundry
- **BOOM** Si integrated circuits for telecommunications
- **FAST-DOT** Generic quantum dot lasers for multiple applications
- **GIGAWAM** Fiber-to-the-home using passive optical networks
- **POF-PLUS** Do-it-yourself home networks
- **PHOSFOS** Wearable sensor «skin»

During 2007, EPIC has strongly supported the Photonics Technology Platform through its participation in most of the working groups, delivering updates and meeting minutes to EPIC members. EPIC encourages each of its members to participate in platform activities.

The platform is directed by its Board of Stakeholders, who are chosen from the platform general membership. EPIC urges its members to apply for membership in the Board of Stakeholders as the best way to assure that the platform is responsive to the needs of photonics industries across Europe.

Up to date information about Photonics²¹ activities is available on the EPIC website.

NEW MEMBERS 2007/2008

 <p>OptoGaN Dr. Bernd Meyer, <i>CEO</i> bernd.meyer@optogan.com</p>	 <p>Horiba Jobin Yvon Didier-Luc Brunet, <i>EMEA Operations Dir.</i> Didier-luc.brunet@jobinyvon.fr</p>
 <p>POLITECNICO DI MILANO</p> <p>Politecnico di Milano Prof. Roberta Ramponi roberta.ramponi@fisi.polimi.it</p>	 <p>Intense Ltd Professor John H. Marsh, <i>CTO</i> john_marshall@intenseco.com</p>
 <p>Vertically Integrated Systems</p> <p>VI Systems Prof. Nikolay Ledentsov, <i>CEO</i> Nikolay.ledentsov@v-i-systems.com</p>	 <p>ONERA Emmanuel Rosencher, <i>Research Director</i> Emmanuel.Rosencher@onera.fr</p>
 <p>Yenista Optics Michiel Van der Keur, <i>CEO</i> mvanderkeur@yenista.com</p>	 <p>UPS2 Sean Amos, <i>Business Manager</i> s.amos@ups2.co.uk</p>
 <p>Sharp Laboratories Europe Matthias Kauer, <i>Research Manager</i> Matthias.kauer@sharp.co.uk</p>	 <p>End of 2007 nLIGHT Corporation announced the acquisition LIEKKI based in Lohja, Finland. Contact: Mircea Hotoleanu Mircea.Hotoleanu@liekki.com</p>
 <p>Centre for Integrated Photonics David Smith, <i>CTO</i> David.smith@ciphotonics.com</p>	 <p>Automotive Signal Lights</p> <p>In February 2008 G.L.I. (Global Light Industries) based in Kamp-Lintfort, Germany, was renamed Odelo LEDs. Contact: Jochen Kunze joe.kunze@odelo.de</p>
 <p>Swisslaser Christoph Harder, <i>President</i> harder@charder.ch</p>	 <p>In January 2008 Gooch & Housego brought together five leading players in the photonics industry including SIFAM under the Gooch & Housego brand name. Contact: Andrew Robertson arobertson@goochandhousego.com</p>

LIST OF EPIC MEMBERS

[Aixtron](#)

Thin-Film Deposition Equipment

[Alcatel- Thales III-V Laboratory](#)

Telecommunication & Defence

[ALSI](#)

Laser Separation and Dicing

[ASML Special Applications](#)

Advanced Optical Lithography

[Audi](#)

Automotive Lighting

[Barco](#)

Display Manufacturing

[Bookham Technology](#)

Optical Communications Components

[Cambridge Display Technology](#)

Optoelectronic Polymer Technology

[CEA-LETI](#)

Microphotronics Technology Development

[Cedova](#)

Optoelectronic Device Fabrication

[CEIT](#)

Education and Research

[Centre for Nanophotonics FOM](#)

Nanophotonic Technologies

[Centre for Nanotechnology, Micro and Photonic Systems](#)

Microphotronics and Biophotonics

[Chalmers University of Technology](#)

Education and Research

[CIP Centre for Integrated Photonics](#)

Optoelectronic Components

[Dow-Corning](#)

Photonics Materials & Custom Services

[Edmund Optics](#)

Passive Optical Components

[Eolite Systems](#)

Fiber Laser

[Ericsson](#)

Microelectronics

[ESKO Graphics](#)

Graphics Reproduction and Display

[Exalos](#)

Superluminescent Diodes

[FiconTEC](#)

Advanced Packaging & Test Equipment for Photonic Systems

[France Telecom R&D](#)

Telecommunications

[Fraunhofer Institute for Applied Optics and Engineering](#)

Precision Optical Coatings

[Fraunhofer Institute for Laser Technology](#)

Laser Sources and Applications

[Fraunhofer Institute for Material and Beam Technology](#)

Laser Materials and Surface Processing

[Fraunhofer Institute for Reliability and Microintegration](#)

Photonics Packaging

[Fraunhofer Institute for Telecommunications](#)

[Heinrich Hertz Institute](#)

Technology for Communications

[German Aerospace Center](#)

Project Funding and Management

[Gooch & Housego](#)

Fibre Optic Solutions

[Haute Ecole ARC Ingénierie](#)

Education and Research

[Hermia Technology Centre](#)

Photonics Industry Development

[Horiba Jobin Yvon](#)

Optical Spectroscopy

[ICFO Institut de Ciències Fòniques](#)

Education and Research

[Imagine Optic](#)

Sensing equipment & adaptive optics

[Innolume](#)

Quantum-dot Lasers

[INSA-Lyon](#)

Education and Research

[Institute of Photonics University Durham](#)

Education and Research

[INTEC Department of Information Technology](#)

Education and Research

[Intense](#)

High Power Lasers

[IQE](#)

Epitaxial Thin Film Fabrication

[Kista Photonics Research Center](#)

Microphotonics Technologies

[Laser Diagnostic Instruments](#)

Lasers

[Mario Boella Institute / Politecnico de Torino](#)

Education and Research

[Merge Optics](#)

Compact Photonic Modules

[Microelectronics Institute of Barcelona \(Imb-CNM, CSIC\)](#)

Education and Research

[nLIGHT Corporation](#)

High Power Lasers

[odelo LED](#)

Solid-State Lighting Modules

[ONERA](#)

Aerospace Laboratory

[OptoGaN](#)

Solid-State Lighting

[OpticsValley](#)

Photonics Industry Development

[Osram Opto Semiconductors](#)

Solid-State Lighting

[Perfos](#)

Specialty Optical Fiber Technologies

[Philips Lighting](#)

Solid-State Lighting

[PicoGiga International](#)

Solid-State Lighting

[Politecnico di Milano](#)

Education and Research

[ProLas](#)

Laser Material Processing

[Quantel](#)

Solid-State Lasers

[Robert Bosch GmbH](#)

Electronics

[Rohm and Haas](#)

Specialty Optical Materials

[SAES Getters](#)

Photonics Components and Materials

[Sagem Défense Sécurité](#)

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[Sharp Laboratories Europe](#)

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[Spectra Physics](#)

Laser Sources and Applications

[SPI Lasers](#)

Fibre Lasers

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Laser Diodes

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Germanium Substrates Thermal Imaging Optics

[University of Naples Federico II](#)

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[UPS²](#)

Ultra Precision & Structured Surfaces

[Vigo System](#)

Sensors

[VI Systems](#)

Optoelectronic Devices

[Wrocław University of Technology](#)

Education and Research

[Yenista](#)

Fiber optic solutions



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