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Device R&D

Economic crisis boosts urgency for European chip R&D, says Dutheil

by **David Manners, Paris**

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Current economic challenges make R&D all the more important. "We are in one of the most difficult crises the industry has faced," Alain Dutheil, CEO of **ST-NXP Wireless** and chairman of the European R&D programme AENEAS, told the **European Nanoelectronics Forum 2008** in Paris this morning.

"Visibility is poor. R&D is more than ever important in the hope that the electronics industry will emerge stronger and faster," added Dutheil "the R&D to sales ratio of the semiconductor industry is 16 per cent - higher than the pharmaceutical industry, more than the telecommunications industry. National suppliers can't afford to stay in the game. They need a network of alliances and partnerships."

Two of these are Europe's main pan-continental microelectronic R&D programmes, **ENIAC** and **CATRENE**.

ENIAC is underway. "The programme is in place and we are working on that now", said Dutheil.

Eight ENIAC projects have been selected and supported out of twelve submitted, according to Dutheil. The eight projects have been allotted the resources for pay for 1972 person years. The projects are being worked on by 228 different parties (companies, research institutions and universities) from 19 countries.

ENIAC's sister programme CATRENE has still to get under way. "They are defining areas of activity. Any proposals will be considered", said Dutheil.

According to the chairman of CATRENE, Enrico Villa: "CATRENE has a Eureka label for four years from 2008 to 2011, which is extendable by another four years."

The first call for projects received 17 proposals of which 11 have been accepted, according to Villa. The eleven projects will take 3,694 person years. 135 parties combined in submitting the 11 projects from 13 countries.

The difference between the two programmes is that ENIAC is more narrowly drawn, with a specific strategy into which proposals must fit, whereas CATRENE can accept any proposal which helps strengthen the European semiconductor industry.

ENIAC's strategy is to focus on six areas where it can provide systems solutions in the form of platforms incorporating the silicon and the software. The areas are: the ageing society - healthcare solutions; global warming - energy saving solutions; security - the protection of data and people; transportation - self-controlled systems and safer vehicles; entertainment; and communications - easy access to information everywhere.

Dutheil pointed out that the cost of developing the silicon process technology had gone up ten times in a decade, but there will be an even bigger cost: "Now, one third of the system cost is software", said Dutheil, "by 2012, 50 per cent of cost of systems solutions will be software."

With a concerted effort on R&D by Europe, the region could come out of the present economic crisis with a stronger position than it went in. "At the end of the crisis the market will re-start and it will be totally different to what it is today", said Villa.

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