

Image Sensors World

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EDoF to Become Tessera's Major Growth Engine in 2010

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Seeking Alpha published Tessera Q4 2009 conference call. Some interesting quotes from the call:

Hank Nothhaft, CEO:

"In optical image enhancement, at year-end 2009 we had four licensees for our extended depth of field technology, as we call EDOF, and those licensees were Toshiba, Samsung, STMicro and one not formally announced. One of our licensees began shipments of traditional camera modules with our EDOF technology for use in camera phones in October last year, and they increased production each subsequent month. This will generate our initial EDOF royalties in the first quarter of 2010.

To date all our current EDOF licensees are deploying or anticipate deploying EDOF technology in traditional camera modules. We have contracts to provide our EDOF technology for traditional camera module projects from 2 megapixel through 8 megapixel. We anticipate EDOF will be deployed in wafer-level camera modules in the future as well.

There is significant interest in our non-mechanical Zoom technology. Zoom is our first integrated smart solution and is a combination of our optical and embedded image enhancement technologies. We expect it will generate higher royalty per unit than standalone optical or embedded image enhancement technologies. We expect to announce our first licensee for this technology in 2010.

...We expect [micro-optics] will be one of the main growth drivers of our Imaging & Optics revenues in 2010, along with increased EDOF royalties. We anticipate continued revenue growth from EDOF and micro-optics plus revenues from our wafer-level optics and Zoom will assist us in reaching our goal of \$100 million in revenue in 2011 in this segment.

Looking longer-term, today's 1 billion plus image sensor market, which includes camera phones and devices such as PCs, surveillance devices and toys, is forecasted to grow to more than \$2.6 billion by 2013, according to Gartner Dataquest.

... We ... expanded our Imaging & Optics portfolio with the acquisition of certain assets of Dblur Technologies Ltd. This acquisition gave us one more entry point into the Chinese market. In addition, through this acquisition, we now have STMicro as one of our optical imaging enhancement licensees.

... In wafer-level optics, our product launch services surpassed the 1 million lens shipment mark in early January. In addition to our product launch services, we have two wafer-level optics licensees. Nemotek is production ready. Qtek is expected to start production later this year."