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# Tunable Lasers Market Strategies and Forecasts 2002-2007



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TUNABLE LASERS

MARKET STRATEGIES AND FORECASTS 2002-2007

Tunable laser markets are driven by the marketplace needs of telecom providers. Using tunable lasers to cover several channels can reduce the high level of inventory needed to account for burned out lasers.

Service providers continue to face the challenge of trying to deploy high-bandwidth networks at increasingly competitive costs. For this reason, tunable lasers will not be adopted unless they are price competitive with fixed length lasers. Some kind of parity needs to be achieved for the market to grow.

Tunable lasers are sold to telecom systems vendors whose solutions enable telecom carriers to reduce network-operating costs associated with optical DWDM deployments and provide a critical catalyst in enabling the growth of all-optical networks.

Collectively, the features of reliability, cost, and broad tunability enable market development. ECLs promise to provide a cost-competitive, broadly tunable source laser that exceeds industry requirements.

Industry adoption of broadly tunable source lasers depends on the evolution of tunable lasers that work. If these systems work as promised, they will drive an increase in the market share that broadly tunable lasers claim from fixed and narrowly tunable source lasers.

Tunable laser vendors are positioning to capitalize on a dramatic market shift where service providers worldwide are realizing the capital savings and operational benefits associated with moving away from closed, legacy, TDM-based solutions to open, next-generation intelligent optical networking.

The worldwide market for tunable lasers at \$26.9 million in 2000 is expected to reach \$2.4 billion in 2007.

## **Companies Profiled**

**ADC Telecommunications**  
**Agere Systems**  
**Agility Communications**  
**AirFiber**  
**Alcatel**  
**Bandwidth9**  
**Blue Sky Research**  
**DBM Optics**  
**fiberSpace**  
**Fujitsu Network Communications**  
**Iolon**  
**Intel**  
**New Focus**  
**Nortel Networks**  
**Princeton Optronics**  
**SpectraSensors**  
**TeraConnect**  
**Teraxion**  
**Tunable Photonics**

### **REPORT METHODOLOGY**

THIS IS THE ONE-HUNDRED AND SIXTH REPORT IN A SERIES OF MARKET RESEARCH REPORTS THAT PROVIDE FORECASTS IN COMMUNICATIONS, TELECOMMUNICATIONS, THE INTERNET, COMPUTER, SOFTWARE, AND TELEPHONE EQUIPMENT. THE PROJECT LEADERS TAKE DIRECT RESPONSIBILITY FOR WRITING AND PREPARING EACH REPORT. THEY HAVE SIGNIFICANT EXPERIENCE PREPARING INDUSTRY STUDIES. FORECASTS ARE BASED ON PRIMARY RESEARCH AND PROPRIETARY DATA BASES. FORECASTS REFLECT ANALYSIS OF THE MARKET TRENDS IN THE SEGMENT AND RELATED SEGMENTS. UNIT AND DOLLAR SHIPMENTS ARE ANALYZED THROUGH CONSIDERATION OF DOLLAR VOLUME OF EACH MARKET PARTICIPATION IN THE SEGMENT. MARKET SHARE ANALYSIS INCLUDES CONVERSATIONS WITH KEY CUSTOMERS OF PRODUCTS, INDUSTRY SEGMENT LEADERS, MARKETING DIRECTORS, DISTRIBUTORS, LEADING MARKET PARTICIPANTS, AND COMPANIES SEEKING TO DEVELOP MEASURABLE MARKET SHARE. OVER 200 IN DEPTH INTERVIEWS ARE CONDUCTED FOR EACH REPORT WITH A BROAD RANGE OF KEY PARTICIPANTS AND OPINION LEADERS IN THE MARKET SEGMENT.

**YOU MUST HAVE THIS STUDY**

**TABLE OF CONTENTS**

**Tunable Lasers Executive Summary**

Tunable Laser Market Driving Forces	ES-1
Tunable Lasers Market Forecasts	ES-2
Telecommunications Market Conditions	ES-4
Internet Protocol Drives Growth	ES-6
Cost And Reliability	ES-8
Sparing	ES-9

**1. Tunable Laser Market Description**

1.1 Tunable Laser Description	1-1
1.1.1 Tunable Lasers Increase Transmission Capacity	1-3
1.1.2 Tunable Lasers Switch Wavelengths	1-4
1.1.3 Shift To Packet Based Networks	1-5
1.1.4 Metropolitan Access Networks	1-5
1.1.5 Long Haul Networks	1-6
1.1.6 Grooming Bandwidth	1-7
1.1.7 DWDM Advantages	1-8
1.1.8 Optical Systems	1-8
1.1.9 Optical Signal Connectivity	1-10
1.1.10 All Optical Metro Ring	1-11
1.2 Fixed Lasers	1-12
1.3 Tunable Laser Description	1-14
1.3.1 Tunable Laser Positioning	1-15
1.3.2 Tunable Laser Advantages	1-16
1.3.3 Narrowly Tunable Lasers	1-17
1.3.4 Widely Tunable Lasers	1-18
1.4 Performance Requirements	1-19
1.4.1 Applications Enhance Services	1-22
1.5 Tunable Laser Design	1-23
1.6 Tunable Laser Implementations	1-26
1.6.1 Sampled-Grating DBR	1-30
1.6.2 VCSEL	1-31
1.6.3 External-Cavity Laser ECLs	1-33

**2. Tunable Laser Market Forecasts**

2.1 Tunable Laser Market Analysis	2-1
2.2 Tunable Laser Demand	2-3
2.3 Tunable Laser Market Growth Factors	2-3
2.4 Tunable Laser Market Shares	2-6
2.5 Tunable Lasers Market Forecasts	2-10
2.6 Narrowly Tunable Laser Markets	2-13
2.7 Widely Tunable Laser Markets	2-15
2.8 Long Haul Tunable Laser Markets	2-17
2.9 Core Metro Tunable Laser Markets	2-19
2.10 DWDM Optical Components	2-21
2.11 Photonic Integrated Circuit (PIC) Market Forecast	2-23
2.12 Changing Internet Traffic Patterns	2-25
2.13 Dense Wavelength Division Multiplexing (DWDM)	2-29
2.14 DWDM Components	2-30
2.15 Transmitter/Receiver Optical Components	2-31
2.16 Dense Wavelength Division Multiplexing (DWDM) Market Segments	2-32

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2.17	DWDM Market Shares	2-33
2.18	DWDM Market Forecasts	2-35
2.19	SONET Market Shares	2-37
2.20	Lighting Dark Fiber	2-38
2.21	All-Optical Network	2-39
2.22	Optical Metro Markets	2-39
2.23	Redefining Network Configuration	2-40
2.24	Impact Of High Speed Networks	2-40
2.25	Tunable Lasers As Spares	2-42
2.26	Provisioning Greater Number Of Wavelengths	2-42
2.27	Enhancing Existing Infrastructure	2-43
2.28	Categories of Tunable Lasers	2-44
2.29	Connectivity Services	2-47
2.30	Tunable Laser Benefits	2-48

### 3. Tunable Laser Product Descriptions

3.1	Dynamically Provisioning Bandwidth	3-1
3.2	Narrowly Tunable Lasers	3-5
3.2.1	Fujitsu	3-6
3.2.2	Fujitsu 22-Channel Single Substrate Tunable Laser	3-7
3.2.3	Fujitsu 44-Channel Tunable Laser	3-8
3.2.4	Reduces Spare Count	3-9
3.2.5	Next-Generation OC-192 Capabilities	3-10
3.2.6	Alcatel Narrow Bandwidth Tunable Laser	3-10
3.2.7	Agere CW Narrowly Tunable, Wavelength-Stabilized LaserModule	3-11
3.2.8	Nortel Networks 15nm Narrowly Tunable Laser	3-12
3.2.9	CyOptics Long Haul, Narrowly Tunable Laser	3-14
3.3	Widely Tunable Lasers	3-15
3.3.1	Agility 3040 Widely Tunable Laser	3-15
3.3.2	Agility And ADC Strategic Alliance	3-18
3.3.3	ADC Tunable Lasers	3-19
3.3.4	ADC's Anywave® Laser Family	3-21
3.3.5	ADC / Altitun	3-23
3.3.6	Agere Systems	3-24
3.3.7	Agere D2570, D2526g, D2555 Wavelength-Selected Direct Modulated Isolated DFB Laser Module	3-26
3.3.8	Agere Long Haul, Narrow Bandwidth Tunable Laser	3-28
3.3.9	Tunable Laser Capability For Nortel Networks Optera Metro 5000 Optical Platform	3-30
3.3.10	Nortel Networks / Bandwidth9	3-30
3.3.11	Nortel Widely Tunable Lasers	3-30
3.3.12	Alcatel	3-31
3.3.13	Alcatel Nanometer Layers	3-31
3.3.14	Alcatel C Band And L Band	3-32
3.3.15	Alcatel Tunable Lasers For Longer Distances	3-33
3.3.16	Iolon Apollo Widely Tunable Laser	3-34
3.3.17	Iolon Target Markets	3-35
3.3.18	Optimizing Optical Capabilities	3-37
3.3.19	Iolon Tunable Laser Technology	3-38
3.3.20	New Focus	3-38
3.3.21	Princeton Optronics	3-39
3.3.22	Princeton Lightwave	3-39
3.3.23	Blue Sky Research	3-42
3.3.24	Bandwidth9 Locker Metroflex	3-48
3.3.25	MetroFlex Line Of VCSEL	3-51

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3.3.26 Altamar 3-52

## 4. Tunable Laser Technology

4.1	Integrating Switching, DWDM, And Other Transport	4-1
4.2	Internet Protocol (IP) Over The Optical Layer	4-2
4.3	Capabilities Of Widely Tunable Lasers	4-3
4.4	External Cavity Lasers	4-7
4.5	Tunable Laser Channel Count	4-7
4.5.1	Tuning To A Hundred Channels	4-8
4.6	Hornet Project	4-8
4.7	System Concept	4-9
4.8	MEMS	4-9
4.9	VCSEL	4-11

## 5. Tunable Laser Company Profiles

5.1	ADC Telecommunications	5-1
5.1.1	ADC Broadband	5-3
5.1.2	ADC Strategy	5-3
5.1.3	ADC Strategic Wins	5-4
5.1.4	Business Segment Revenue	5-7
5.1.5	ADC Revenue	5-8
5.1.6	ADC Positioning	5-8
5.1.7	Integrated Solutions	5-10
5.1.8	ADC Products	5-13
5.1.9	ADC Suite Of Systems Integration Products	5-14
5.1.10	ADC / Altitude	5-15
5.2	Agere Systems	5-15
5.2.1	Agere's Integration Capabilities	5-16
5.2.2	Agere Research And Development	5-17
5.2.3	Agere Acquisitions	5-17
5.3	Agility Communications	5-19
5.3.1	Agility Communications Positioning	5-21
5.3.2	Third Round Of Venture Funding	5-21
5.3.3	Widely Tunable Lasers	5-22
5.3.4	Agility Strategy	5-22
5.4	AirFiber	5-22
5.5	Alcatel	5-23
5.5.1	Alcatel Revenue	5-23
5.5.2	Alcatel Market Outlook	5-24
5.5.3	Carrier Networking	5-26
5.5.4	Optics	5-26
5.5.5	Alcatel Optronics Revenue	5-27
5.5.6	Optical Subsystem Production	5-28
5.6	Bandwidth9	5-29
5.7	Blue Sky Research	5-29
5.8	DBM Optics	5-31
5.9	fiberSpace	5-31
5.10	Fujitsu Network Communications	5-32
5.10.1	Fujitsu Product Positioning	5-33
5.10.2	Long-Haul Pipe	5-33
5.11	Iolon	5-34
5.12	Intel	5-34
5.13	New Focus	5-36
5.14	Nortel Networks	5-38
5.14.1	Nortel Networks Realignment Plan	5-40

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5.14.2	Nortel Reorganization	5-41
5.14.3	Optical Internet With Nortel Networks Optical Networks Solutions	5-42
5.14.4	Nortel Networks Customers	5-42
5.14.5	Nortel Networks Open Optical Dense-Wavelength Division Multiplexing (DWDM) System	5-44
5.14.6	IP-Ready Open Optical Interfaces	5-45
5.14.7	Nortel Networks Optical Packet Network Solution	5-46
5.14.8	IP Data Services	5-48
5.14.9	Sonet/SDH	5-48
5.14.10	Optical IP Network Backbones	5-49
5.14.11	Acquisitions	5-49
5.14.12	Focus On Solutions	5-49
5.15	Princeton Optronics	5-50
5.16	SpectraSensors	5-50
5.17	TeraConnect	5-51
5.18	Teraxion	5-52
5.19	Tunable Photonics	5-53

## LIST OF TABLES AND FIGURES

Figure ES-1	ES-3
Tunable Laser Market Forecasts, 2001-2007	
Table ES-2	ES-4
Tunable Laser Benefits	
Table 1-1	1-7
DWDM Broadband Bandwidth Solutions	
Figure 1-2	1-9
Electrical Switching Matrix	
Figure 1-3	1-10
Hybrid-Optical Switching Matrix	
Table 1-4	1-12
Difficulties With Fixed Lasers	
Figure 1-5	1-14
Tuning Times For A 8-nm Spaced Wavelength GCSR Laser Transmitter	
Figure 1-6	1-15
Tuning Times For A 4-nm Spaced Wavelength GCSR Laser Transmitter	
Table 1-7	1-16
Tunable Laser Advantages	
Table 1-8	1-20
Performance Requirements For The Transport Markets	
Table 1-9	1-21
Tunable Lasers Performance Requirements	
Table 1-10	1-25
Optical System Advantages	
Table 1-11	1-26
Tunable Laser Applications	
Table 1-12	1-27
Basic Tunable Laser Structures	
Table 1-13	1-27
Basic Tunable Laser Applications	
Table 1-14	1-28
Features Of Tunable Laser Technologies	
Table 1-15	1-32
Advantages Of VCSEL	

Table 2-1	2-2
Reasons Tunable Lasers Replace Fixed Wavelength Lasers	
Table 2-2	2-4
Tunable Laser Competitive Advantage Market Factors	
Table 2-3	2-5
Tunable Laser Market Growth Factors	
Figure 2-4	2-7
Tunable Laser Market Shares, 2001	
Table 2-5	2-8
Tunable Laser Market Shares, 2001	
Figure 2-6	2-11
Tunable Laser Market Forecasts, 2001-2007	
Table 2-7	2-12
Total Tunable Laser Market Forecasts, 2001-2007	
Figure 2-8	2-14
Worldwide Narrowly Tunable Total Market Forecasts, 2001-2007	
Table 2-9	2-15
Narrowly Tunable Laser Market Forecasts, 2001-2007	
Figure 2-10	2-16
Worldwide Widely Tunable Total Market Forecasts, 2001-2007	
Table 2-11	2-17
Widely Tunable Laser Market Forecasts, 2001-2007	
Figure 2-12	2-18
Worldwide Long Haul Tunable Laser Market Forecasts, 2001-2007	
Table 2-13	2-18
Long Haul Tunable Laser Market Forecasts, 2001-2007	
Figure 2-14	2-19
Worldwide Metro Core Tunable Laser Market Forecasts, 2001-2007	
Table 2-15	2-20
Metro Core Tunable Laser Market Forecasts, 2001-2007	
Figure 2-16	2-22
Worldwide Optical Component Market Forecasts, 2000-2006	
Table 2-17	2-22
Optical Component Market Forecasts, 2000-2006	
Figure 2-18	2-24
PICs Market Forecasts, 2000-2006	
Table 2-19	2-24
PIC Market Forecasts, 2000-2006	
Figure 2-20	2-26
Internet Traffic Market Forecasts, 2000-2006	
Table 2-21	2-27
Internet Traffic Growth, 2000-2006	
Table 2-22	2-28
Systems Used To Achieve Fiber Optic Scalability	
Table 2-23	2-33
Optical Networking System Market Segments	
Figure 2-24	2-34
DWDM Market Shares, 2000	
Table 2-25	2-35
Global DWDM Landline Market Shares, 2000	
Figure 2-26	2-36
DWDM Market Forecasts, Dollars, 2000-2006	

Table 2-27	2-36
Global DWDM Market Shipment Forecasts, Dollars, 2001-2006	
Figure 2-28	2-37
Sonet Market Forecasts, 2000-2006	
Table 2-29	2-38
Sonet Equipment Market Forecasts, 2000-2006	
Table 2-30	2-41
Impact Of Optical Switching On IP Transport Speeds	
Table 2-31	2-44
Categories Of Tunable Lasers	
Table 2-32	2-45
Organization Of Tunable Laser Markets	
Distributed Feedback (DFB) Lasers	
Table 2-33	2-48
Tunable Laser Benefits	
Table 3-1	3-2
Tunable Laser Features, Issues, And Functions	
Table 3-2	3-3
Engineering Challenges Of Tunable Lasers	
Table 3-3	3-17
Benefits Of The Agility 3040	
Table 3-4	3-20
ADC Grating-Assisted Co-Directional Coupler Technology	
Table 3-5	3-22
Key Features Of ADC's Anywave® Laser Family	
Table 3-6	3-24
Agere Systems Tunable Laser Features	
Table 3-7	3-25
Agere Systems Tunable Laser Applications	
Table 3-8	3-26
Agere Systems Electrical/Optical Characteristics	
Table 3-9	3-36
Iolon Target Markets	
Table 3-10	3-40
Princeton Lightwave BGC Product Characteristics	
Table 3-11	3-43
Tunable Lasers Engineering Challenges Addressed By Blue Sky Research	
Table 3-12	3-44
Blue Sky Research Electrical Tuning Mechanism	
Table 3-13	3-46
Blue Sky Research Programmable Laser Positioning	
Table 3-14	3-47
Programmable Laser Specifications	
Table 4-1	4-4
Selected Optical Add / Drop Parameters For Tunable Lasers	
Table 4-2	4-5
Selected Switching Tunable Laser Parameters	
Table 4-3	4-5
Selected Metropolitan Tunable Laser Parameters	
Table 4-4	4-6

## WINTERGREEN RESEARCH, INC.

Selected Long Haul Tunable Laser Parameters Table 4-5	4-6
Selected Ultra Long Haul Tunable Laser Parameters Table 5-1	5-2
ADC MEMS Switch Positioning Table 5-2	5-9
ADC Broadband Infrastructure And Access Table 5-3	5-11
ADC Positioning Of Integrated Solutions Table 5-4	5-19
Agility Tunable Laser Solutions Positioning Table 5-5	5-20
Agility Integration Of Optical Components Table 5-6	5-35
Intel Photonics Company Acquisitions Table 5-7	5-37
New Focus High-Power Tunable Laser Functions Table 5-8	5-38
Selected Applications For Tunable Lasers Table 5-9	5-42
Nortel Networks Acquisitions Table 5-10	5-43
Nortel Networks Customers Table 5-11	5-53
TeraXion Positioning	

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**WINTERGREEN RESEARCH**, FOUNDED IN 1985, PROVIDES STRATEGIC MARKET ASSESSMENTS IN TELECOMMUNICATIONS, COMMUNICATIONS EQUIPMENT, HEALTH CARE, AND ADVANCED COMPUTER TECHNOLOGY. INDUSTRY REPORTS FOCUS ON OPPORTUNITIES THAT WILL EXPAND EXISTING MARKETS OR DEVELOP MAJOR NEW MARKETS. THE REPORTS ASSESS NEW PRODUCT AND SERVICE POSITIONING STRATEGIES, NEW AND EVOLVING TECHNOLOGIES, AND TECHNOLOGICAL IMPACT ON PRODUCTS, SERVICES, AND MARKETS. MARKET SHARES ARE PROVIDED. LEADING MARKET PARTICIPANTS ARE PROFILED, AND THEIR MARKETING STRATEGIES, ACQUISITIONS, AND STRATEGIC ALLIANCES ARE DISCUSSED. THE PRINCIPALS OF WINTERGREEN RESEARCH HAVE BEEN INVOLVED IN ANALYSIS AND FORECASTING OF INTERNATIONAL BUSINESS OPPORTUNITIES IN TELECOMMUNICATIONS AND ADVANCED COMPUTER TECHNOLOGY MARKETS FOR OVER 30 YEARS.

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