

FRAIVILLIG TECHNOLOGIES COMPANY

THERMAL INTERFACE PRODUCTS

BUSINESS PLAN

FRAIVILLIG TECHNOLOGIES COMPANY 98 CHARLES STREET #1 BOSTON, MA 02114

www.Fraivillig.com

FRAVILLIG TECHNOLOGIES' THERMAL INTERFACE PRODUCTS

Electricity drives the modern world. It can be divided into two broad segments: electrical and electronic.

'Electrical' refers to the power generation, distribution and motor technologies. 'Electronic' refers to the use of electricity to drive appliances of all types and sizes, and is generally based on a printed circuit board (PCB) format. Electronic appliances would include telecommunications, computers, and many others.

'Power electronics' is the intersection of electrical and electronic, where raw current is converted for use in appliances. The packaging of power electronics requires demanding thermal performance, yet is very cost-sensitive.

The range of thermal management solutions offered in the market is based on mature technologies that are decadesold.

Fraivillig Technologies (FT) has developed the next-generation thermal-management solutions: *PowerSite™ products*, which provide excellent performance, cost-effectiveness, and

unsurpassed design flexibility. The high value delivered to the customer by the proprietary technology enables the products to be sold at high, sustainable profit margins.

The key to PowerSite products is the heat-sealable TPI bond film. TPI bonds the electronic substrate to the metal heat sink. This allows the soldering of power devices directly to the heat sink, giving high thermal dissipation while maintaining electrical isolation, all without attachment hardware.

FT provides a complete range of electronic packaging solutions for demanding power applications. We expect that these products will become the industrystandard for decades into the future. When adopted, the proprietary nature of PowerSite technology offers an excellent business opportunity.

FT is seeking partners to drive the power electronics market to a new standard for thermal management. PowerSite TPI-based products have proven their performance and durability in demanding power applications. We are now eager to scale-up.

The business requirements for creating a new standard in thermal management follow:

- Leveraging adoptions in the present 'beta applications' to the broader power market
- Promotion of the PowerSite technologies through publications, advertisements, conferences and trade shows

Identification and development of new

applications at power OEMs and design centers

A Sales/Marketing force than understands the

market and the power electronics industry, and

can promote and capture

partnerships with contract

manufacturers in Asia (where the majority of power electronics are now

the value of a highperformance product

Establishment of

assembled)

thermal management

Evolution of Thermal Interface Technology DISCRETE POWER DEVICES Mica + grease Insulator pads 1940s 1960s • PowerSiteTM pads 2000 PowerViaTM columns 2002 POWER CIRCUITRY Ceramic 1960s Insulated metal 1980s PowerFlex™ circuits 2002 • Dielectric Coated Copper (DCC) 2006 [NOTE: PowerSite, PowerVia and PowerFlet are all defined as 'PowerSite products', using TPI secondory, Pigents and patents pending.]

cts', using TPI technology. Patients and patients pending.]

 Development of additional TPI bond film products, so that more application opportunities can be pursued (such as where cost is *much* more important than performance).

All of these critical program items require both financial investment and business commitment.

If you are interested in discussing this opportunity, please contact Jim Fraivillig at 512-784-5698, or jim@fraivillig.com.

Fraivillig Technologies Company 98 Charles Street #1 Boston, MA 02114



9/9/2005

FRAIVILLIG TECHNOLOGIES COMPANY

THERMAL INTERFACE PRODUCTS

BUSINESS PLAN

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FT's versatile product portfolio is illustrated above.

BACKGROUND: 'Power electronics' covers a wide range of industrial applications that utilize power semiconductors. These include units where electric current is transformed from AC to DC, from DC to AC, from one voltage to another, ec. (*araket: power converters*), or where electric current is transformed into physical motion (*market: controls for motion*, *matoria*, *automotive*). This electrical transformation process is not 100%-efficienct and produces heat that must be dissipated, or the power semiconductors will fail.

The thermal interface material (TIM) between the power semiconductor and the heat sink is critical to the operation of these units. The interface must have high thermal conductivity between the surfaces, while maintaining reliable dielectric separation.

The power electronic market can be viewed as "electronic plumbing", carrying the current where it needs to be in the form that is required by the application – the thermal interface has to be extremely reliable, but is rarely noticed, unless something goes

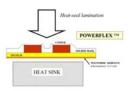


Fraivillig Technologies Introduction

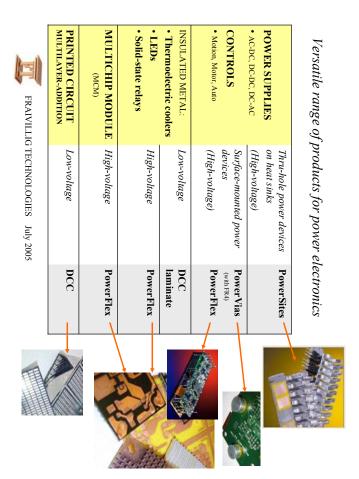
wrong. In some ways, thermal interface materials are analogous to household plumbing materials, but transporting heat not water. The bousehold construction market tends to have a solw conversion to new plumbing technologies: first from wood pipe to metal pipe in the 1850s, and then from metal pipe to plastic pipe about a century later. But the adoption of a new technology in this conservative market is prety close to permanent (within a human lifetime at least). The technology transitions in TIMs within the power electronics industry are analogous - slow-but-steady, but with product life-cycles in decades rather than centuries.

PowerSite products are one of only a handful of thermal management technologies to have originated and been commercially-adopted in the past 30 years old.

In addition to power electronics, there are other thermal management applications in electronic packaging that could well utilize DowerSite technology: CPU modules, LEDs, thermoelectric coolers, conventional printed circuit boards. (Our primary focus is now power electronics. In the quest, to change a technical standard, it's good to start with the 'low-hanging fruit'.)



9/9/2003



A forecast of potential demand for TPI bond film follows:, based on market size, along with expected penetration and product pricing by application.

POTEN	TIAL	Mater	ial Demand	Material	Revenue
POWERSITE		0.7	M sqft/yr	\$5	M/yr
POWERFLEX	(taking business fro	om)			
High power	IMS	0.7	M sqft/yr	\$6	M/yr
	Ceramic	1.7		\$14	M/yr
Auto control	PCB/PSA	3.0		<u>\$15</u>	M/yr
Subtotal		5.4	M sqft/yr	\$34	M/yr
POWERVIA		0.7	M sqft/yr	\$6	M/yr
тот	AL DEMAND	6.9	M sqft/yr	\$45	M/yr

These projections are based on market size, along with expected product penetration and pricing by application:

POWERSITES (thru-	hole PCB)		POWERFI	.EX (SMT PCB)		
Discrete devices	1.0	Billion	IMS	Total market	150	M USD
Area/device	0.7	sqin		Cost/area	0.3	USD/sqin
Total market	4.9	M sqft		Total area	3.5	M sqft
Penetration	15%			Penetration	20%	
Total potential	0.7	M sqft		Total potential	0.7	M sqft
Avg price	\$7.00	/sqft		Avg price	\$8.00	/sqft
			Ceramic	Total market	1000	M USD
POWERVIA (SMT PO	CB)			Cost/area	0.4	USD/sqin
Total automotive	20	M cars		Total area	17.4	M sqft
Total appliances ('App')	500	M units		Penetration	10%	
Number/car	20	cooled devices		Total potential	1.7	M sqft
Number/app	4	cooled devices		Avg price	\$8.00	/sqft
PenetrationAuto	10%					
PenetrationApp	3%		PCB/PSA	Total market	20	M cars
Area/PV	1	sqin		Area/car	1	sqft
Total area	0.7	Msqft		Total area	20	M sqft
Average film price	\$8.00	/sqft		Penetration	15%	
Material revenue	\$5.6	М		Total potential	3.0	M sqft
Average PV price	\$0.20			Avg price	\$5.00	/sqft

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FRAVILLIG TECHNOLOGIES' THERMAL INTERFACE PRODUCTS



EXECUTIVE SUMMARY

The portfolio of FT products has the performance and cost-structure to become the nextgeneration standard in the thermal management of power electronics.

The technologies are based on the heat-sealable TPI bond film and are protected by a range of patents, awarded and pending.

The TPI materials, equipment and processes are already developed and optimized.

The performance in leading-edge power applications has been proven.



The next step is leveraging our experience -- and promoting, qualifying and selling--- the technology across power electronics and other high-performance markets.

Once adopted, the high value-in-use of the proprietary TPI technology will provide profitable sales with long-term customers. This value can be captured by selling only the high-margin TPI bond film to converters and manufacturers. Or, forward-integration into electronic assemblies – even on a subcontract or license basis-- would allow greater revenue and profitability.

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Reaching market penetrations of 3% or 10% with a revolutionary new technology in a conservative market takes time, effort and resources. Based on the proven performance and the competitive cost-structure of the TPI technology, we believe that these are realistic medium-term goals.

Profitability

TPI bond film has a gross margin of 60-75%, depending on the application and volume. (For instance, with a \$1000 sale of TPI film, the total cost of materials and processing is only 50.25-0.4.)

As with any new material, expense for marketing and technical support would be required to build the business.

With forward-integration into subassemblies, the absolute profitability potential increases, but the relative margin falls. The sustainable mark-up on purchased hardware materials for subassemblies --such as heat sinks and power devices-- generally is 15-30% in competitive, high-volume applications.

PowerSite TPI technology is unparalleled in the system performance-vs-cost in many thermal management applications. In addition, it is proprietary and patented. This could provide licensing opportunities, in which royalties are paid by qualified manufacturers on sales of their units. (This might slow adoption rates, but could dramatically increase profitability.)

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BUSINESS MODEL and INVESTMENT

Owning the standard for thermal management in power electronic packaging provides a substantial business opportunity. The PowerSite TPI technology is proprietary and patented. Profit margins products are high. Once widespread adoption is underway, sales revenue potential would be a decided by the owner of the TPI technology: What level of pricing is appropriate to garner the widest profitable sales?

The business model could be as simple as selling a single type of TPI bond film in roll form. The amount of value-addition could be decided based on incremental profitability: from supplying the TPI in sheets or punched shapes -to-- building custom baseplates with soldered components. As the TPI technology results in a 'better power supply' licensing opportunities could also exist for exclusive agreements with selected subcontractors and even OEMs.

The product and process development of the PowerSite TPI technology has already been done for most enduse applications. The technology has already been tested, qualified and commercialized. Investment would be required mainly to expand the market and develop the brand. In addition, this TPI technology may already have synergy with existing product lines with manufacturers, and can be sold to existing customers.

As reviewed in the Introduction section, the business requirements for creating a new standard in thermal management follow:

- Leveraging adoptions in the present 'beta applications' to the broader power market
- the value of a high-performance product · Establishment of partnerships with

industry, and can promote and capture

Promotion of the PowerSite technologies through publications advertisements, conferences and trade shows

understands the thermal management

centers

- contract manufacturers in Asia (where the majority of power electronics are now assembled) Development of additional TPI bond
- Identification and development of new applications at power OEMs and design film products, so that more application opportunities can be pursued (such as where cost is much more important than performance). A Sales/Marketing force than

market and the power electron Power electronics -the main market-focus for the PowerSite products at this stage-tends to be conservative in the adoption of new materials. The upside of this conservatism is that once entrenched, a product's market position tends to remain secure. New products are typically evaluated on a next-generation design of a power module. Even if

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durability would not be as good as the standard TPI, but would work great in many low- and mid-range applications.) There would be minor costs associated with developing, testing and qualifying this and other new thermal interface products.

everything goes smoothly in the module's prototype, qualification and overseas manufacturing, the sales revenue for a material in that module might still lag due to many

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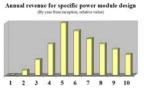
The amount of resources that would be required to develop, grow and support the PowerSite TPI business depend -in a large part-- on the capabilities of the existing organization and supply-chain partners.

The incremental marketing and development expenses (reviewed above) to support the business would be invested efficiently. Since its inception, Fraivillig Technologies has practiced lean manufacturing, lean R&D, lean sales/marketing, lean technical service and support. This experience can be brought-to-bear on the business moving forward.

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reasons. For instance, the OEM's customers for power supplies also tend to be conservative and wary of betting on new technology (mostly the power supply, not the insulation material).

A representative revenue stream for a material in a specific (theoretical) power module design is shown opposite. Sales for many designs might not peak for 4-5 years. After the product matures, sales flatten while the next-generation design is introduced to the market by your customer, and his customers begin to adopt the new design.



The market development plan should reflect this adoption and product lifetime cycle. The early adoptions, before a product becomes established, are the toughest to garner.

Much of this, of course, comes as no surprise. Manufacturers of high-tech materials are generally very familiar with the requirements and steps to drive a new technology into the market. There will be incremental cost associated with the following

- Building the PowerSite TPI 'brand' like practically all markets, power electronics market is brand-conscious. Advertising in industry magazines, literature mailings, trade shows and conference papers all provide important exposure and leads. The technology's cost-effectiveness and design-flexibility should be emphasized.
- <u>Marketing and Sales organizations</u> incremental cost can be minimized by using existing Marketing organizations and Sales channels. There will be a need for specialized training and technical support with even the most technically-advanced sales force. The marketing force would also lead the effort to identify and develop other markets beyond conventional power electronics.
- Supply chain the success of the PowerSite TPI technology is dependent on its proper usage and the competitive pricing of the electronic subassemblies that utilize it. An experienced and qualified supply chain is critical in all regions. Identifying and supporting the PowerSite TPI converters and manufacturers (of PCBs and heat sinks) will require resources, especially during scale-up. Supply-chain partners will require specialized equipment and tooling for TPI bonding. Expertise and comfort with write article arti with custom equipment is a critical.
- Product development to best take advantage of the market opportunities, a TPI bond film product line with tiered price-vs-performance will be required. This product structure, of course, allows differential pricing based on the trade-off between cost and performance. For example, we already have some excellent candidates for a lower-cost TPI bond film, which could be priced one-half of the standard all-polyimide TPI film, and still be very profitable. (Its thermal impedance and

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FT Business Model and Investment

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FRAVILLIG TECHNOLOGIES' THERMAL INTERFACE PRODUCTS

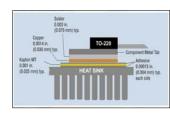


TECHNICAL SUMMARY

PowerSiteTM technology has the potential to revolutionize the thermal management of power electronics and other demanding applications. It provides a robust method of attaching power electronics as close as possible -both physically and thermally-to the metal heat sink and ambient cooling air. One OEM refers to PowerSite technology in their press releases as "metal-to-metal bonding"... and except for 1.3 mils of ceramic-filled polymer, that is literally true. And this is accomplished with 4000Vdc dielectric strength, no attachment hardware and no pressure dependency

The beauty of the PowerSite technology is its simplicity. Despite a wide range of end-use product formats for PowerSite, PowerFlex and PowerVia constructions, a single bond film can satisfy practically *all* applications. Our standard bond film product is 130TPI, which is a ceramic-filled Kapton® polyimide film with 0.15 mil of thermoplastic polyimide adhesive on both sides, and could be used in all applications.

Typical properties for a PowerSite made with 130TPI are shown in the adjacent chart. This construction includes processes of heat-seal bonding copper foil to an aluminum heat sink, and then soldering-on of a power device. (See schematic below; PowerFlex and PowerVia formats would have equivalent properties.)



	TYPICAL PROP	ERTIES	
	Property	PowerSite Laminate	Test Method
2	Copper Thickness, inch (mm)	0.0014 (0.005)	ASTM D374
CONSTRUCTION	Thermoplastic Polyimide (TPI) Adhesive Thickness, inch (mn)	0.00015 (0.004)	ASTM 0374
E	Kapton MT Dielectric Thickness, inch (mm)	0.001 (0.025)	ASTM D374
SMOO	Thermoplastic Polyimide (TPI) Adhesive Thickness, inch (mm)	0.00015 (0.004)	ASTM D374
	Laminate Thermal Impedance, "C-in/W ("C-cm//W)	0.1 (0.65)	ASTM 05470-95
7	Diefectric Thermal Conductivity, W/m-k	0.38	ASTM 05470-95
2	Operating Temperature Range, "C	-50 tu +200	-
THERMAL	Aunction-to-Heat Sink Thermal Resistance, Hj-s, *C.W* 10-247 10-220	0.67	JEDEC Std 51 using Analysis Tech Thermal Analyzer
-1	Voltage Breakdown, Vac	5000	ASTM D149
ELECTRICAL	Volume Resistivity, ohm-cm	1 x 10 ^m	ASTM 0257
뚭.	Capacitance, pF/In/ (pF/cm/)	500 (78)	ASTM D150
Li,	Permittivity, 25°C @ 1kHz	4	ASTM 0150
ш,	Designation Factor, 25°C @ 18Hz	0.003	ASTM D150
ICAL.	Tersile Strength, psi (mPa) Room Temp 150°C	600 (4.1) 200 (1.4)	ASTM D412
MECHANICAL	Shear Strength, poi (mPa) Room Temp 150°C	4000 (27.5) 2000 (13.8)	ASTM 0412
-	UL Recognized	Pending	

On a micro-level, where the thermal transfer happens, the PowerSite construction is practically always the same: copper foil intimately-bonded

The PowerSite process is always the same: heat-sealing the copper foil to the aluminum heat sink. The tooling and process conditions can vary, for both the bonding and the soldering operations, based on the heat sink configuration. A schematic of the typical PowerSite processing is shown opposite.

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FT Business Model and Investment

FT Technical Summary

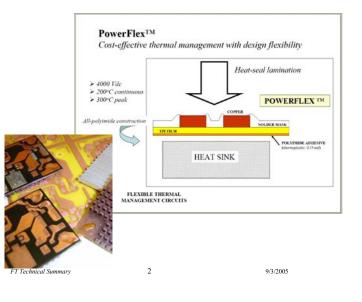
The equipment required for PowerSite processing is very simple. It's all about heat and pressure: the polyimide-adhesive bonding is done up to 300°C and 600 psi. Dwell time at full-pressure is short, tryically 15-30 seconds. For high-volume, the PowerSite process is easy to automate.

The performance-vs-cost ratio delivered by PowerSite technology is unparalleled:

⇒ Competing against insulation pads+hardware for mounting power devices... PowerSite technology has much higher thermal transfer at comparable cost.



⇒ Competing against metal-clad PCBs for thermal circuitry... PowerSite technology has comparable thermal transfer and more design flexibility, at lower cost.



Conventional thermal management technologies are mature. There is little room for any improvement, other than 'incremental bumps' in performance. (See 'Intellectual Property' section for in-depth review of both PowerSite technology and that under-development at the market leaders.)

PowerSite technology can still benefit from improvements in thermal performance and costeffectiveness. In the chart below, TPI modification options are reviewed for altering (1) the thickness of the substrate, (2) the composition of the substrate and (3) the adhesive type. The impact on the electrical and thermal performance, along with the relative cost, is given for each candidate.

Powe	erSite™ TPI	Bond Film Design N	Aodifications	
Modification	Thickness (total, mil)	Thermal impedance (°C-sqin/W)	Dielectric strength (Vdc, minimum)	Cost (relative)
Thinner substrate (same ceramic-loading)	1.0	0.08	3000	1.2
Standard (FT's 130TPI)	1.3	0.10	4000	1X
Unfilled substrate	1.0	0.12	4000	0.8
(no ceramic-loading)	1.3	0.15	5000	0.7
Unfilled substrate + Hybrid adhesive	1.3	0.15	5000	0.5

In high-end applications requiring the maximum thermal transfer, customers will eagerly pay a higher price for PowerSite bond film.

In many other applications, however, customers would want to minimize their cost (especially where PowerSite performance exceeds their requirements) and would gladly use the lower-cost bond film.

The option listed last on the above chart -the bond film with 'Unfilled substrate + Hybrid adhesive' will also be attractive from a processing standpoint. This hybrid adhesive activates at a considerably lower heat-seal temperature than the thermoplastic polyimide adhesive on the other bond film candidates. (However, a post-bake in a oven is required then to fully-cure the hybrid adhesive before device soldering.)

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The performance of PowerSite pads is compared with conventional technologies in the adjacent chart.

Application		Device Mounting		Power Circuitry	Die Mounting
System	MICA/GREASE	INSULATOR PADS	PowerSite™ (SIMS)	INSULATED METAL SUBSTRATE	DIRECT BOND COPPER
Introduced	pre-1940	1960s	2001	1980s	1960s
Insulation Construction	Mica water with thermal grease on both sides	Filled silicone binder coated on glass tabric or Kapton film	Polyimide adhesive-coated Kapton MT film	Polymer/ceramic blend	Ceramic water
Typical Dielectric Layer Thickness, inch (mm)	0.002 to 0.005 (0.05 to 0.13)	0.005 to 0.020 (0.13 to 0.51)	0.0013 (0.033)	0.006 to 0.012 (0.15 to 0.30)	0.015 to 0.040 (0.38 to 1.00)
Device Attachment	Hardware compression	Hardware compression	Soldering	Soldering	Soldering
Typical Thermal Performance	High 0.1°C-in²/W (0.65°C-cm²/W)	Low 0.3 to 0.5°C-in²/W (1.94 to 3.23°C-cm²/W)	High 0.1°C-in²/W (0.65°C-cm²/W)	High 0.1°C-in?/W (0.65°C-cm²/W)	Highest 0.05°C-in?/W (0.32°C-am²/W
Advantages	High thermal performance Low cost	Low cost, clean installation Design versatility Easiest rework	Automated Hardware-tree Finned and non-planar heat sinks Copper applied only at device site Consistent thermal tansfer Eliminates substate-to- heat sink infertione Polyimide durability and high deleticitic strength	Automated Hardware-free Simultaneous device pad and circoat pattern etch Consistent thermal transfer	Very high therm performance Automated Hardware-free Simultaneous deu pad and circui pattern etch Can accommoda thtick copper layu
Potential Disadvantages	Messy, time consuming Attachment hardware Incorsistent, uneven coverage Dry out over time Contamination of adjacent circuitry	Attachment hardware Themai tansfer is pressure-dependent Heat sink modifications (tooles, etc.) High mounting pressure can cause out-through failures	Assenbled with special process equipment Rework requires solder reflow	Dielectric variability, reliability Rework requires solder reliave Large, fat panels only Bertline - limits design, processing De-panelizing step required Can require heat sinks Copper etch process required	Rework require solder reflow High cost Brittle - Imits des processing Can require heat sinks Processed in small panels Copper etch proc required

FT Technical Summary

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OTHER CONSIDERATIONS

Moisture absorption

All polyimides absorb moisture, which must be dry before exposure to extremely high temperatures, such as those experienced during PowerSite heat-sealing and device soldering. After heat-seal bonding (and before soldering), PowerSite heat sink assemblies need to be kept in a sealed, dry environment to prevent water absorption from ambient air. If water absorption has occurred, the PowerSite assembly should be baked before soldering. [NOTE: In general, moisture release is only a problem if it has nowhere-to-go, such as when it trapped between metal layers, whether in the application or process. Blistering then can result.]

Moisture evolved from condensation reaction (during heat-sealing only)

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The TPI thermoplastic polyimide adhesive is partially-cured until exposure to the high-temperature heat-sealing process, where the conversion from polyamic acid to polyimide polymer is completed. During heat-up in the bonding fixture, this moisture from the polyimide chemistry's condensation reaction --along with the moisture from water absorption-- needs to escape before full-pressure is applied. If this is *not* allowed to occur, blistering will occur in the bondline, which is detrimental to both physical and thermal integrity. Proper drying typically only requires a fraction of a minute at the elevated PowerSite temperatures. The PowerSite heat-sealing equipment and processes are designed for this product characteristic.

Solder

As in any surface-mount application, PowerSite pads require a thin layer of solder to adhere the power device to the copper. To minimize cost, we recommend –and can supply at a nominal charge—solder pre-forms for this process. Especially in applications that require lead-free solder, the cost of conventional no-lead solder paste is considerably greater than rolled solder pre-forms.

Dielectric Durability

In some rare applications where the metal surfaces that are heat-sealed (solderable surface and/or heat sink) have a significant amount of surface roughness, the dielectric integrity of the PowerSite might be compromised, due to physical damage. In these cases, we would supply a TPI bond film with a thicker substrate.

Corona-Resistance

In some power supply applications (continuous AC exposure > 500Vac), corona-resistance of the PowerSite polyimide-based dielectric becomes critical. For these instances, we would supply a TPI bond film with enhanced properties for corona-resistance. This filled polyimide substrate has about 100X the corona-resistance of conventional unfilled polyimide films of equivalent thickness and slightly lower thermal transfer.

POWERSITE™ SOLDERABLE PADS

PowerSite pads are copper patches bonded to heat sinks with TPI bond film. Discrete power devices, such as TO-220s and TO-247s, can be soldered to the copper patch. No attachment hardware is required. Thermal impedance for a PowerSite made with FT's flagship all-polyimide 130TPI bond film is only about 0.1°C-sgin/W.

The temperature level in power electronic packaging is high and continues to climb. Semiconductor die temperature must be kept below 150 °C,

or the power device, and therefore the entire power supply, will fail. The use of PowerSites -versus a conventional insulating pad and attachment hardware—can reduce device operating temperature by 2 °C/Watt for a TO-220 or 1 °C/Watt for a TO-247. The more thermally-efficient PowerSite can allow the design and operation of power supplies with more power, more reliability, more compact design

In conventional applications with insulation pads, attachment hardware is required to hold the power device onto the heat sink at high pressure (which ensures its thermal transfer). As noted earlier and shown in the illustrations, PowerSites uses a heat-sealed bond film and copper pad + solder to adhere the device directly to the heat sink. This aspect also eliminates the need for modifying the heat sink to accept attachment hardware, as well as gives more UL clearance around the heat sink subassembly in the power supply.



High-end power supplies often use power devices that are \$1 to \$2 or more per device. The cost of the PowerSite is a small fraction of this, and can be well justified in many applications.

Benefit of owning the PowerSite technology:

- PowerSites are the highest performing insulation pads on the market.
- The technology is patented, with other patents pending. As PowerSites provide high value-in-use... yielding excellent performance which enables the OEM to market a premium product... therefore, the materials can be sold at a high margin.
- In addition, profits from manufacturing proprietary power subassemblies can be obtained. (This could include technology licensing.)

FT PowerSite 9/3/2005

Placement templates are often required to ensure accurate positioning of the PowerSite patches through the bonding process. These templates would also be sold to the customer, and are a disposable item. An example of a disposable template is shown opposite. The power supply construction -PowerSite baseplate soldered to the PCB-are shown below







Performance:

FT PowerSite

PowerSite pads use solder to attached power devices directly to heat sinks. No hardware is used, and therefore pressure dependency --to ensure thermal transfer- is eliminated. The thermal transfer of PowerSites is much better than insulation pad materials + hardware (even with ideal pressure). A chart comparing PowerSites, generically described as 'Laminated copper' below, to various insulation pads appears below.

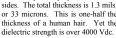
		TO-22) (8 wat	t)		TO-247	(15 wa	tt)
Interface Material	Tj	(°C)	Rj-s (°C/W)	Tj	(°C)	Rj-s (°C/W)
(Air Flow, Ifm =>)	0	100	0	100	0	100	0	100
Mica / grease	94.4	74.5	3.53	3.46	112.8	81.4	1.02	0.99
BN-filled silicone sheet	103.5	81.4	4.14	4.05	114.4	84.0	1.16	1.16
Kapton MT / phase change	100.0	79.3	3.87	3.84	112.4	81.8	1.00	0.94
Kapton MT / BN-filled silicone	104.7	93.7	4.46	4.41	116.5	85.1	1.27	1.22
Alumina-filled silicone sheet	107.8	87.0	4.94	4.89	120.8	90.4	1.71	1.67
Laminated copper	90.8	69.5	2.70	2.64	108.4	77.5	0.66	0.68

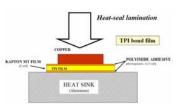
Note that PowerSites run cooler with the same heat-load, due to the low thermal impedance across the interface. 3

When power electronic applications move to PowerSite technology, it becomes very difficult for an OEM to 'switch back' to the old design, due the high thermal performance and the elimination of hardware.

Product description

The key to the PowerSite technology is the bond film. Our flagship product, 130TPI, is an all-polyimide construction of thermally-conductive Kapton film with a very thin coating of thermoplastic polyimide on both sides. The total thickness is 1.3 mils, or 33 microns. This is one-half the thickness of a human hair. Yet the





The copper foil used in PowerSites is

a custom-grade with a low-profile treatment on one side (to accommodate the thin adhesive coating during bonding) and a durable tarnish-resistant coating on the opposite side to guarantee solderability.

The solder used in PowerSites can be either paste or pre-forms. Rolled pre-forms are preferred for high-volume applications, due to cost, especially with the transition to lead-free solder.

Heat-sealing equipment for PowerSite assemblies are simple custom designs with heated platens and an air-pressure cylinder. Custom fixturing is required for each job. A single heat-sealing station can produce several PowerSite units per minute with a single operator. The cost of the heat-sealing station would be about \$10-15K. The run-rate depends on the size of the assembly, but manufacturing time per assembly is typically about 2-to-4-per-minute-per-station.





The soldering of the power devices to the heat sink is done with a hot-plate system that moves the assemblies through the process and reflows the solder. The cost of the soldering station is about \$5-10K. Run-rate is dependent on the size of the assembly, but 4-12 per-minute is typical. (Rate is typically limited by the manual placement of the solder and power devices on the heat sink.)

FT PowerSite

2

9/3/2005

PowerSite thermal impedance is only 0.1°C-sqin/W. This lower impedance translates to a considerable thermal advantage over conventional insulation pads:

	MAL ADVANTAGE d pads + hardware)
TO-220	2°C/W
TO-247	1°C/W

Example: A TO-220 device with 10 Watts of dissipated heat will run about 20°C cooler with PowerSite mounting

For OEMs, this advantage can translate into power supplies with higher output and improved reliability. This allows OEMs to make higher margin on their unit-sales

Supply chain

TPI bond film consists of thin coatings of high-temperature, heat-sealable adhesive on both sides of a high-temperature dielectric film

Kapton polyimide film is purchased from the DuPont Company. Alternative substrates would also work in most applications (and could be preferred in very cost-sensitive cases) - these would include Ultern film and generic polyimide film.

Adhesives used by FT are proprietary formulations. Toll manufacturing is done in New Jersey and Chicago. Adhesive formulations are trade-secrets. (The adhesive must bond quickly in a heat-seal operation, but then be able to withstand high-temperature soldering in the next process step - this characteristic makes the adhesive's properties unique.)

Film coating is done on a toll-basis in New Jersey.

EIS Fabrico of Kennesaw, GA provides value-added conversion services and markets the PowerSite technology to OEMs. EIS also designs PowerSite process equipment and runs prototype production

PowerSite subassemblies are built by several companies in Asia. Union Bridge of Guangdong, China has been a qualified PowerSite supplier for several years. GMTS of Taipei, Taiwan should receive full-qualification shortly. Other suppliers are in the process of being evaluated as well.

Competitive position:

PowerSites must compete with the wide range of thermal insulating pad suppliers. These include Bergquist, Loctite Power Device, Parker Chomerics, among many others. As this is a mature and often very competitive market, prices can be quite low.

Even with extremely good thermal performance, PowerSites must be close in total cost to the conventional insulation pad designs, which include the pad, the attachment hardware (with required heat sink modifications), and the assembly labor. With low-cost Asian labor and a lower-cost FT bond film, we should be able to 'compete on price' in power applications where cost considerations are paramount.

PowerSite technology provides excellent thermal performance and durability in thermal management applications. Once production-volume processing is established, the cost of PowerSites is very competitive with the existing insulation pad + hardware technology. A comparison chart is shown below for the system costs of commodity- and premiumgrades of both PowerSite and conventional insulation pads.

	MOUNTING C (Asia-based high-volum			
	POWEF	SITE	INSULATIO	ON PADS
Component	Commodity	Premium	Commodity	Premium
Insulation material	\$0.05	\$0.10	\$0.03	\$0.10
Hardware	0	0	\$0.01	\$0.10
Heat sink modification	0	0	\$0.01	\$0.05
Assembly labor	\$0.05	\$0.05	\$0.03	\$0.05
TOTAL	\$0.10	\$0.15	\$0.08	\$0.30

Note: These are general estimates. Specific applications will vary. Material cost for larger TO-247 devices will be higher.

Note that PowerSites are cost-competitive in both (1) materials and (2) total system cost with the conventional insulation pad + hardware. This parity is a requirement in the hyper-cost-sensitive Asian power supply market, where most OEM units are now assembled. When PowerSites are designed-in for their improved performance, there would be no incentive to switch back. In fact, in applications where the higher thermal transfer of a PowerSite is utilized in the design, switching to insulation pads + hardware would require downgrading the rated performance of the unit, which of course OEMs would be very reluctant to do.

PowerSite technology is protected by patents awarded and pending. If an unlicensed overseas supplier was identified as using patent-protected technology –without FT materials and/or permission--shipments of the entire assembly (such as a power supply) could be stopped by US Customs.

FT PowerSite	5	9/3/2005

- Lower cost than IMS and DBC constructions. We can use standard commodity FR4 and standard punched or extruded heat sinks.
- Higher thermal transfer than more-expensive IMS and DBC constructions in many applications. The PowerFlex printed circuit can be bonded *DIRECTLY* to the heat sink -- the thermal interface resistance resulting from the mechanical attachment of the IMS and DBC to the heat sink is eliminated.
- Greater design flexibility than IMS and DBC constructions: Physically flexible (plastic film dielectric)
 - Inexpensive addition of additional circuitry layers (standard print-and-etch) Can be bonded directly to practically any shape or size or material type heat sink Allow circuitry to extend past the edge of the heat sink
 - (perhaps connecting to other subassemblies)
 - Use conventional circuit processing equipment and materials Physically robust ('unbrittle' plastic film or fabric dielectric and metal heat sink)
 - Physically robust ('unbrittle' plastic film or fabric dielectric and metal heat sink) Can be made into literally any dimension (width or length).

Benefits of owning or licensing the PowerFlex technology:

- PowerFlex has thermal comparable performance to IMS, but can be manufactured at lower cost. In addition, the design flexibility options help 'lock-in' the customer.
- The technology is proprietary (patents pending and trade-secrets).
 As PowerFlex technology provides high value-in-use, the TPI materials can be sold at
- a high margin.
 In addition, profits from manufacturing proprietary power subassemblies can be obtained. (This could include technology licensing.)
- Practically any PCB shop can be 'qualified' to manufacture PowerFlex assemblies.

2

Product description:

PowerFlex uses TPI bond film and a heat-sealing process to mate the PCB and the heat sink (see 'PowerSites' for details).

For multilayer applications, the TPI is tack-bonded to the back-side of the finished FR4 panel. The individual circuits are then depanelized. The TPI, already on the PCB, allows heat-sealing to the aluminum heat sink. The same bonding and solder reflow equipment is used as with PowerSites.

		POWERFLEX 15
-1	CONTRA -	
		phyracylastic 0.11 ext)

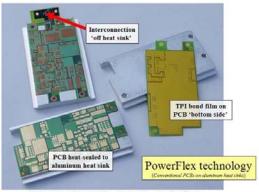
9/3/2005

POWERFLEX™ THERMAL CIRCUITS

PowerFlex thermal circuits provide next-generation, highperformance thermal management, using conventional materials and processes. They utilize conventional printed circuits, such as FR4, bonded with FT's proprietary TPI bond film to aluminum heat sinks.



The thermally-conductive Kapton substrate and thin coating of polyimide adhesive of the TPI bond film yield a construction where the copper conductors are bonded within 1.3 mils of the heat sink (thermal impedance of about 0.1°C-in2/W), while providing over 4000 Vdc dielectric strength.



FRAIVILLIG TECHNOLOGIES Boston, MA www.fraivillig.com

PowerFlex yields the following advantages over existing thermal management substrates, which include --at the 'high-end'-- Insulated Metal Substrate (IMS) and Direct-Bond Copper ceramic wafer (DBC):

- Higher thermal transfer than conventional mounting methods of flexible and rigid printed circuit boards to heat sinks at comparable cost.
- Elimination of assembly hardware the printed circuit can be bonded directly to the heat sink.

1

FT PowerFlex

9/3/2005

Performance:

PowerFlex TPI bond film has very low thermal impedance: 0.1°C-sqin/W. This is about the same value as alumina-based IMS. (See studies show opposite.)

In addition, PowerFlex circuits can be bonded directly to practically any aluminum heat sink. IMS plates need to be attached with hardware and interface materials. This adds cost, labor assembly thickness, and thermal resistance.

For multilayer constructions, FR4 can be used for the conductive circuit layers, in conjunction with TPI bond film. Thermal vias between layers provide excellent heat transfer to the TPI bond film.

The all-polyimide performance of TPI bond film allows higher operating temperatures, up to 200°C continuous. Other metal clad baseplates are epoxy-based, and are limited to about 135°C. This feature will become more important as future electronics become more densely populated, and need to run hotter and hotter.

COMPARISON • TPI single-layer • IMS single-layer • Tested with Anatoch pul	ł			
THERM. Maximum Poy				c
Interface Material (.tar Flow, 15m->)	TO-220 0	(watt) 100	TO-24	7 (watt 100
Interface Material				

contratison: • 179 single-layer • DIS single-layer • Tested with Anatech pube	THERMAL PERFORMANCE: Thremal Resistance (TO-220: R/+6-°C/9)			
	-	Darmal re Banglan	And real	Count
	All-metal	1.35	1.35	Terrine Int
NOTE: 0.2-CW residence assumed for attaching DB hasoplate to heat site.	IMS - premium	1.90	2.00	Barglats og d
	IMS - standard	1.94	2.14	
TEST #2	PowerFiles (stun	2.10	2.10	
	PowerFlex contract	2.28	2.28	No Integlate

Supply chain:

PowerFlex uses the same supply chain for TPI as PowerSites.

Circuit board work can be provided by any practically any FR4 shop, but experience with thin substrates is generally preferred.

EIS Fabrico of Kennesaw, GA provides value-added conversion services and markets the PowerFlex technology to OEMs. EIS also designs process equipment and makes limited prototypes runs.

PowerFlex subassemblies are built by several companies in Asia. Union Bridge of Guangdong, China has been a qualified PowerSite supplier for several years. GMTS of Taipei, Taiwan should receive full-qualification shortly. Other suppliers are in the process of being evaluated as well.

FT PowerFlex

Competitive position

The existing products, both IMS and DBC, have set fairly high price expectations in the market.

PowerFlex is well positioned to provide comparable performance at lower-cost, and with more design and manufacturing flexibility. This is especially true in multilayer constructions, where commodity FR4 can provide comparable thermal performance to IMS on innerlayer thermal resistance - with thermal vias in the FR4, all the heat in the PCB rushes to the bond film interface, where TPI can match the IMS layer.

	RELATIVE SYSTEM COST (Area Basis)			
PowerFlexTM	Interface	PCB Single-	layers: Double-	Comment
relative cost	PowerFlex	1	1.5	No baseplate, Bonding raq'd
	IMS (standard)	1.5	3	With buseplate, Hardware rog'd
	DBC	2.5	5	Hardware rog'd
	 sink with hards PowerFlex can 	vare and then he bonded d it sink proces	rmal compositive frectly to a lissing (bondi	teat sink. ng the PowerFlet

Due to its high value-in-use, TPI can command a high margin and still provide an electronic packaging system that is much lower in cost than IMS or DBC

For cost-competitive applications, such as low-end power supplies and automotive control circuitry, FT is developing a lower-cost TPI bond film (with lower thermal transfer) to displace the assembly adhesives now being used.

FT has patents pending on the PowerFlex technology. In addition, the adhesive formulations are trade-secrets

FT PowerFlex

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9/3/2005

Product description

PowerVias use TPI bond film (see 'PowerSites' for details) that adhere a solderable copper patch to the top of an aluminum column.

The PowerVias are inserted into the underside of the PCB, and then the power components are soldered onto the PowerVias copper surface (which poke through the PCB).

The fully-assembled PCB can then be attached with hardware to the heat sink (but with no pressure-dependency). Thermal compound either thermal grease or phase-change material—ensure heat transfer to the heat sink during operation.

The PowerVias can allow for double-sided PCBs, as they provide a stand-off from the heat sink.

In comparison, conventional mounting of PCBs with plated-thru thermal vias requires insulation pads, where high-pressure must be applied to the PCB to ensure heat transfer to the heat sink. (See comparison opposite.)

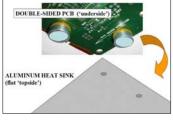
Often, conventional mounting requires a contoured heat sink, if double-sided PCBs are to be used. This adds cost and complexity. (See opposite.)

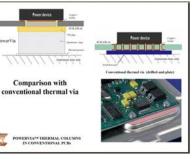
Performance:

FT PowerVias

The thermal transfer performance difference between PowerVias and conventional mounting with plated-thru vias and insulation pads is significant.

The following chart shows that PowerVias can reduce the heat of D2Pak device as much as 7-8°C/W



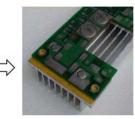


POWERVIATM THERMAL COLUMNS

PowerViaTM thermal columns are solid-metal, electrically-isolated thermal vias. When used in a conventional surface-mount printed circuit board (PCB), PowerVias can dramatically improve power device cooling, and offer design options and enhanced manufacturability in electronic packaging.

PowerVias allow the attachment of a fully-assembled FR4 printed circuit board onto a heat sink with the thermal path between the power device and the heat sink impeded by only 1.3 mils of dielectric film, which is integrated into the PCB. The thermal resistance of the PowerVia is 1-2°C/W, depending on the model.





PowerVias for D2Paks

PowerVias inserted into PCB

PowerVias can eliminate the need for through-hole mounting of power devices into a surfacemount PCB. This avoids the subsequent (often clumsy) grappling with the independent cooling and electrical isolation requirements of the through-hole devices.

PowerVias offer the following advantages versus existing plated-through thermal via technology, including:

- Higher thermal transfer, mainly due to its solid metal structure
- Eliminates pressure dependency of thermal transfer
- Component mounting on both sides of the PCB with a flat heat sink surface Addition of 'thermal mass' to the PCB, allowing short-term full-strength electrical testing.

Benefits of owning the PowerVia technology:

- PowerVias can convert a simple thick FR4 board -easily mated with a planar heat sink surface-- into a high-performance thermal management system. PowerVias are a proprietary technology, with high thermal performance and unique design
- capabilities. Once adopted, these features 'lock-in' the custor
- As PowerVia technology provides high value-in-use, the units can be sold at a high margin. PowerVias can be offered in standard sizes, for off-the-shelf availability.

1

FT PowerVias

9/3/2005

	resistance compariso oldered-on D2Pak, bolte	
Thermal method	Active area	Rj-s
PowerVia (circular footprint)	0.08 => 0.20 sqin (Face-to-base)	4.4 °C/W
PowerVia (rectangular footprint)	0.20 => 0.30 sqin (Face-to-base)	2.7 °C/W
Thermal via + pad	0.30 sqin	11.4 °C/W

In addition, PowerVias can add enough 'thermal mass' to the subassembly that the fully-assembled PCB can be tested at full power, *before* the unit is attached to the heat sink. This feature streamlines the manufacturing process.

Supply chain:

PowerVias use the same supply chain for TPI as PowerSites.

The aluminum columns can be sourced from any precision machine shop that works with extruded and screw-cut metal rods. For high-volume supply, sourcing from Asia is recommended

The assembly heat-seal bond process for converting the aluminum columns into PowerVias can be designed for automation or high labor content (which becomes efficient when the per-hour charge is low).

Competitive position:

An FT patent protects PowerVia technology. In addition, the adhesive formulations and the PowerVia manufacturing process are trade-secrets.

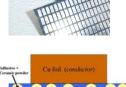
DIELECTRIC COATED COPPER

Dielectric-coated copper (DCC) provides excellent cost-effective layer addition in a wide range of compact, low-voltage electronic packaging applications. The conventional substrate material of fiberglass or plastic film is eliminated. Dielectric strength is provided by the combination of ceramic filler and polymeric coating. Features include:

- Ultra-thin layer addition
- Extremely low thermal impedance Tailored dielectric strength
- Highly-flexible packaging (with selected polymers)
- Enhanced processing:
- Easy lay-up
 Fast lamination cycles (selected polymers)
- Fast clean laser ablation Fast chemical etching
- Cost-effective, vs comparable substrate constructions

Benefits of owning the DCC technology

- This technology provides the ultimate in high thermal-transfer, low-cost substrates for lowvoltage applications, and could replace DBC ceramic and IMS.
- DCC technology can also be applied to conventional PCB manufacturing for multilayer addition





those 'extra materials'.)

The term 'Dielectric-Coated Copper' is selfexplanatory. This is a simple-yet-proprietary concept, applied to demanding high-end thermal applications, where only several hundred volts isolation is required. (NOTE: 'Dielectric overdesign' enacts a penalty in both the cost of the required materials and thermal resistance of

After the copper has been coated with the polymer with ceramic loading -serving as both a dielectric and adhesive-the foil is bonded to a metal substrate layer of either aluminum or copper. The copper is then printed and etched

Dielectric-C	Coated Copper Properties
Customization	System properties are dependent on the type of polymer and its coating thickness and on the type of ceramic filler, its loading level and particle size. Properties reported below are representative of typical performance.
Dielectric thickness	0.2 to 5+ mil (5 to 125+ micron)
Dielectric strength	50-1000 volts (minimum) 200-2000 volts (average)
Thermal impedance (dielectric layer)	0.02 - 0.2 *C-sqin/W
Thermal resistance (polyimide, epoxy/phen.)	200°C (continuous) 300°C (exposure)
Bond strength	Depends on polymer and loading

FT Dielectric Coated Copper

9/3/2005

by conventional PCB manufacturing. The resultant circuitry can then be used as an electronic substrate for soldering power components. Heat generated by these components is quickly drained away to the metal substrate layer, which can be attached to a larger heat sink.

Supply chain

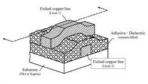
DCC laminates use the same supply-chain polymer formulation and coating operations as PowerSites, except for the contract sheet-lamination of the coated copper and substrate plate. Long-term, it probably would be optimal to do the lamination and printing-andetching in Asia, close to the power electronics manufacturing.

2

Competitive position:

An FT patent protects DCC technology. In addition, the adhesive formulations are tradesecrets.

As disclosed in the FT patent (see opposite), the ceramic particles maintain the spacing and dielectric separation between the conductive layers. Other coated copper systems --such as IMS-- are much thicker, using the bulk of the overall material to ensure spacing and dielectric strength between the conductive layers.



U.S. Patent US 6,208,031 BI Sheet 3 of 2

FT Dielectric Coated Copper

9/3/2005

ELECTRONIC CONTROL

TARGET MARKETS and APPLICATIONS

The core of PowerSite technology is the heat-sealable TPI bond film, which is used in PowerSite solderable patches, PowerFlex thermal circuits and PowerVia thermal vias. We expect that this revolutionary technology will become the standard of the nextgeneration thermal management for mounting power semiconductors to heat sinks

1

The power electronics market is a natural target for PowerSite technology, especially applications with high power density, which dramatically increases the need for thermal management

Power supply units are used where electrical current must be converted from one form to another. These 'power conversion' modules are not 100%-efficient, and this inefficiency results in heat that must be dissipated, or the power semiconductors will fail.

For instance, a 300-Watt power supply might be 85%-efficient. This means that there will be 45W of heat to be dissipated [= $300 \times (1-0.85)$]. Much of this waste heat is generated in the power semiconductors, which have very small footprints. So the heat must be removed quickly and efficiently from these tiny packages. If the silicon chip (or 'die') in the power semiconductor exceeds 150°C, it is in danger of failing. Even at temperatures less than this critical point, the rule-of-thumb is every 10°C in increased operating temperature corresponds to a doubling of the failure rate of the power devices.

In general, PowerSite technology has the best applicability and competitive advantage in demanding applications:

- Where the power supply manufacturer wants to push his design to the limit, to increase revenue. Often, the switch to PowerSite technology will allow the same power supply design to operate with a higher output power, with the same hardware. For instance, producing an output of 350W instead of 300W. As power is often sold by-the-Watt, this is a significant feature. In addition, the same power supply design becomes 'higher-density' at the higher power, and high-density units typically sell for higher-margin
- Where ambient operating temperatures are high, and therefore there is less 'driving force' to cool the power devices. Many power supplies need to use an ambient air temperature as hot as 75-85°C (167-185°F) to *cool* their heat sinks.
- Where power density is high (expressed in Watts-per-volume of the module), as this raises the temperature of the entire package.
- Where attachment hardware for the power devices is bulky, expensive, encroaches on UL electrical clearance, or is hard-to-install and/or tighten. Or maybe, where the ufacturer just doesn't want to worry about thermal interface pressure-dependency at all

1

Fraivillig Technologies has focused on the power conversion market: the manufacture of power supplies. But other high-power applications offer opportunities as well.

(NOTE: The series of charts shown opposite show applications and US-based OEMs that design and/or manufacture power supplies. The 2003 charts are slightly out-of-date.)

The main application presently for our technology is compact DC-to-DC modules that are plugged into large circuit boards: "Board-mounted power", or BMP. This specific power format is know as a 'brick', which has become a standard footprint with many power end-uses, such as telecom base stations, servers and military applications. These 'brick' design engineers have very tough thermal requirements, and are relatively more receptive to new technology (once they feel comfortable with its robustness).

As the thermal demands increase in all types of power supplies, the attractiveness of a PowerSite technology is manifest. In addition, our ongoing efforts to reduce the installed cost of the PowerSite technology --through process and product improvements-- will also pay dividends in adoptions.

 DC/DC "bricks" (change voltage) AC/DC bases (4C=>DC) 	 Motion control Motor control
 DC/DC boxes (champe voltage) Inverters (DC=>,dC) RF mightfers (tolecons) Uninterrupgelike Power Supplies (UPS)² for computers, infecom) Chargars Text equipment Fuel cells 	AUTOMOTIVE • Volage regulators • Control boards -> argine, transmission, braker <u>MULTI-CHIP MODULES</u> Incorporates multifunctions out single solid-state board
Prairillig Technologies	
DC/DC "brick" p	

Power Electronics

POWER SUPPLIES

tesyu (Ilden Prziric, MN)	Innoveta (Plano, TX)
zec (Carisbiad, CA)	Martek (Brockton, MA)
codhant Telcon (Santa Aua, CA)	Modular Devices (Shirkey, NY)-
IC Power (Costa Mesa, CA)	NetPower (Plano, TX)
ED Tech (Raleigh, Tuzon)	Power General (Canton, MA)
dex Mfg (Concord, CA)	Power-One (Cantarillo, CA)
dextica (Toronto, Canada)	Power-One (Cantarillo, CA)
nedoc (Toxinit, CA)	Ros Goos, CA)
endoc (Oxnard, CA)	Ro Associates (Sunnyvale, CA)
er Tech (Westlake, OD)	SvedDor (Westhern, MA)
ndor (Oxnard, CA) ree Tech (Westlake, OH) th Device (Bohemia, NY) tel (Mansfield, MA) icsson (Richardson, TX) laxy Power (Westbeeo, MA)	RO Associates (Sunnyvale, CA) SynQor (Westboro, MA) II PowerTrends (Warrenville, IL) Tyco Power (Mesquite, TX) Vicor (Andever, MA)

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9/3/2005

In addition to power conversion, other industries have electronic systems with similar cooling requirements. These markets also would offer significant potential for PowerSite technology.

Application		Potential Target Accounts			
INVERTER PomerSites, PomerVias RF AMPLIFIER PomerSites		Exsistech (TX) Advanced Conversion (NJ)			
		 PowerWave (CA) Lucent (NJ) Richardson (IL) 	 Microwave Power (NY) RF Power (NJ) 		
UPS PowerSites, PowerVias		APC (MA, RJ) Invensys (NC) Beblman (NY)	 NOVA Electric (NJ) Active Power (TX) 		
CHARGER PowerSites, PowerVias		 Ibex (RI) Diversified Power (TN) 	Schuefer		
TEST EQUIPMENT PowerSites, PowerVias		 Agilent (CA) National Instrument (TX) B+K Previous (CA) California Instrument (CA) Hispotrones (NY) Pasific Power (CA) 	Telstronies (OR) Tosk (NY) Arbin (TX) Digatron (CT) Lales Shore Cryotronics (IL) PTS (MA)		
CONTROL PowerSites, PowerVias	Motion Control Motor Control	 Parker Hannifin Aracon 			
	Voltage Regulators	Transpo Renard			
AUTOMOTIVE PowerSites, PowerVias	Centrel Beards ⇒ Engine ⇒ Transmission ⇒ Brakes	 Metorela Delphi GM 	DaimlerChrysler Visteon		
M CM PowerFlex		Omnirel (MA) Pomerex (PA) Semikron (NH)	Trace Tech (CA) Automotive Computers		

PowerSite technology has been adopted in demanding commercial applications. With few exceptions, these are all high power-density applications, mostly DC/DC brick converters.

3



A DC/DC full-brick baseplate, where the power devices run about 20°C cooler with PowerSites than the next-closest highperformance thermal interface system. In addition, installing the attachment hardware for insulation pads was problematic.

FT Target Markets and Applications

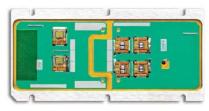
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A DC/DC half-brick using PowerSites to solder the assembled PCB to the aluminum baseplate. Runs about 25°C cooler than insulation pads+thermal compound+hardware. With the old system, applying sufficient pressure was problematic.

4

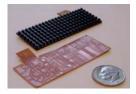




A DC/DC full-brick with solderable plates for directdie attach, bonded in a routed pit in the aluminum baseplate.

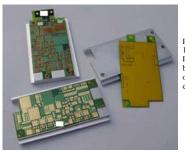


A DC/DC eighth-brick using PowerFlex to mount the power circuitry directly to a finned baseplate. The manufacturer reports 15% more power output than the comparable design with IMS+heat sink.



FT Target Markets and Applications

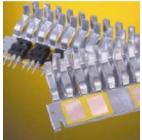
9/3/2005



Power adaptor that can generate 125W from a 12V car outlet. PowerFlex with thin FR4 PCB bonded to a thick heat plate. Cooled only by potting compound's conduction to ambient case.



DC/DC eighth-brick PCB bonded to thick baseplate baseplate (prototype demo unit). PowerFlex with thick, six-layer FR4 PCB.



This is a classic configuration of power devices mounted to a heat sink. The power devices are aligned in an linear array, and plugged into a PCB in a 'box' power supply (a classic example is the 'silver box' in the back of a personal computer). A high-speed fan blows or sucks air threw the power supply, and removes the dissipated heat from the heat sinks. A rackmounted, hot-swappable AC-to-DC power supply is shown below. This format is often used in large banks of power supplies in the telecoms industry.





Another heat sink format used in box power supplies: an array of power devices are mounted to a metal baseplate, and then –after the devices' electrical leads are plugged into, and soldered onto, the PCB-- the metal baseplate is screwed up against the wall of the power supply enclosure (literally, the inside of the metal box). The dissipated heat is then managed externally to the power supply.

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FT Target Markets and Applications

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FT Target Markets and Applications



In many power-density applications, single power devices are mounted on individual heat sinks, and this mini-subassembly is then plugged into the PCB. A small percentage of these units have high thermal dissipation demands and could benefit from PowerSite technology. But even where the thermal demands are low, PowerSite technology – *competitively-priced*, of *course*—would offer design and manufacturing advantages, versus dealing with insulation pads and clumsy attachment hardware.

MOTOR and MOTION CONTROL

Motor controls and motion controls (for automation) have electronic packaging that is very similar to that in power supplies. This includes the need for optimal thermal management. The markets for motor and motion control are not as large as the power supply market, but much of the manufacturing has remained in the US, and price pressures are lower.

AUTOMOTIVE CONTROLS

This is the biggest application for thermal management of power electronics in the world. Power electronics now control the car's engine, transmission, brakes and (soon) steering – virtually, drive-by-wire.

Until recently, the power density has been low for these modules, and designers did not need a high-performance thermal system. On many applications, they've been using a system that has 5-8X the thermal resistance of PowerSite technology: PCB soldermask for electrical insulation with a layer of pressure-sensitive adhesive to mate with the aluminum baseplate. The state-of-the-art, sort of: *Circuits have been bonded down to heat sinks with Scotch tape.* An example of this design in shown opposite.



The automotive market is dramatically increasing the power requirements in cars (not even including hybrid and fuel-cell designs), while moving to more compact electronic

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As LEDs have gotten brighter and brighter, their power requirements have increased, and with that, the need for thermal dissipation. Like power semiconductor devices, if the LED exceeds a temperature of 125°C, it is in danger of failure.

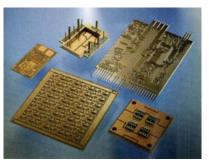
Next-generation LEDs are now being designed with IMS substrates, moving away from standard FR4 hardboard packaging. These applications are a prime target for both PowerFlex and DCC technologies:

- PowerFlex technology combines standard PCB packaging with high-performance thermal management, and IMS-like thermal transfer performance. In addition, TPI film allows the bonding of the circuitry to a larger heat sink, to which the IMS needs to be adhered anyway.
- Dielectric-coated technology (DCC) LEDs have very low voltage requirements and very high thermal dissipation requirements... a perfect fit for DCC as a drop-in replacement for IMS.

CERAMIC ELECTRONIC PACKAGING

Ceramic is the grandfather of high-performance thermal management of electronic packaging.

Ceramic substrate combines electrical dielectric insulation properties with high thermal transfer. (Examples of ceramic substrates are shown below.) However, ceramic packages are expensive, tough-to-process and are brittle, of course.



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packaging to save space and weight. Historically, when the going-got-tough thermally, automotive designers would use ceramic-based substrates. But these are very expensive and not design- and manufacturing-friendly.

Another trend that enhances the attractiveness of PowerSite technology in automotive: the ecologically-driven transition to lead-free solder. This increases the solder reflow temperature, where the metal alloy goes liquid and bonds the electronic component to the PCB (both physically and electrically). This higher reflow temperature is beyond where many of the old-style packaging formats with the "Scotch tape" bond film can survive. PowerSite technology can survive these high temperatures with ease.

The time is right for the next-generation in thermal management of automotive power electronics. PowerSite technology products, with their cost-efficient nature and design flexibility, are well-positioned.

LIGHT DISPLAYS (LEDs)



Light-Emitting Diode (LED) technology enables lighting systems that are highly-effective and energy-efficient. LEDs are now moving beyond light displays and taillights (where they need to be bright and visible) to automotive headlights (where they actually *project* light).



An illustration of the use of LEDs in automotive taillights and headlights from an industry publication is shown below.

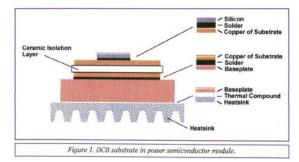


FT Target Markets and Applications

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In addition, ceramic packages also require mechanical attachment to a much larger metal heat sink to dissipate the heat to atmosphere.

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A 'relative newcomer' in comparison to ceramic substrates, IMS has made much progress in converting ceramic applications to polymer-based insulation systems for printed circuits. (Insulated metal substrate, or IMS, is ceramic-powder-filled epoxy resin that bonds copper foil to aluminum plate.)

FT's PowerFlex and DCC technologies could garner significant share of the present ceramic market where the packaging requirements include:

- Low-voltage dielectric many high-power applications have high electrical currents, but are at low voltage. Many cases only require 3-100Vdc. DCC could provide the same thermal performance as the very-best ceramic, at a fraction of the cost.
- Multilayer circuitry building multilayer ceramic circuits is notoriously difficult and
 expensive. PowerFlex with thin FR4 (with thermal vias) can approach the thermal
 performance of the commodity alumina substrates, and if the PowerFlex can be
 bonded *directly* to the companion metal heat sink, the overall thermal resistance can
 even below lower than with the ceramic system. In addition, the mechanical
 hardware or adhesive bonding required to mate the ceramic package to the metal heat
 sink is eliminated.

There are many applications within the ceramic substrate market...

	Power semiconductor devices IGBT: MOS Modules Diode-,Thyristor Modules Solid-State Aclays Discrete devices		Industrial electronics Frequency converter Welders Pump control Traction drives/power supplies Drive control
	Automotive electronics	•	Cooling technology (Peltier/laser)
•	Ignition		
•	Electronic assisted steering		Aerospace
•	ISAD-integrated starter/alternator	•	Servomotor control
•	Diesel pump control	•	Solid state switches
•	Servomotor control	•	Radar
•	Air condition control		
:	Telecommunication Power supply SAT Power supply base stations	:	Power supplies DC/DC converter AC/DC converter RF amplifier

...however, several could be deemed 'low-hanging fruit' for targeting. These applications would have one or more of the following attributes: cost-sensitivity, lowvoltage, packaging complexity

For example:

Thermoelectric coolers (TECs) are an excellent example of an application that uses a ceramic substrate, where an FT DCC substrate could work better thermally and cost considerably less. These typically run on only 3-14Vdc. [NOTE: FT already has a DCC development underway with Marlow Industries, the market leader in TECs.]





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FT Target Markets and Applications

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PCBs

Mounting a flexible printed circuit to a heat

sink

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6208031

Patent Number

6129260



management

-Bergquist

Parker Chomerics

and Laird

thermal

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SUPPLY-CHAIN

TPI bond film uses standard adhesive-formulation and film-coating processes, and its manufacture is out-sourced to competent specialists

The thermoplastic polyimide adhesive (property of FT) is formulated by Lubrizol Dock Resins in Linden, NJ. A schematic of a representative reactor is shown opposite

The polyimide adhesive is coated on polyimide film by Lamart Corporation in Clifton, NJ. A schematic of a representative coating operation is shown below

Both Lubrizol and Lamart offer their services on a toll-basis (per batch or hour).

The film is slit-to-width by Lamart or Metlon Corporation (Cranston, RI).

The film is punched into custom shapes by EIS Fabrico of Kennesaw, GA.

EIS also builds subassemblies (qualification prototype quantities) with PowerSite technology with heat-scaling and soldering equipment. They also provide technical support and drawings for other companies to build subassemblies with PowerSite technology (so that EIS can sell customers the TPI and related materials).

We have two qualified PowerSite technology assemblers in Asia with custom process equipment built to our specifications: Union Bridge (Hong Kong and Guangdong, China) and GMTS (Taipei, Taiwan). We are qualifying other Asian companies as demand increases.

Goals for supply-chain licensees and suppliers:

- "Easy to do business with" (pardon the grammar) the 12,000 miles and the 12-hour difference with Asia is a challenge enough. We look for companies to partner with that "say what they 'll do, and then do what they've said"
- Fair pricing don't take advantage of the sole-source position of the technology. Where possible, standardize pricing. We are focused on driving this proprietary technology to become the market standard, and need to maintain the OEMs' trust – if they feel that they are being 'held hostage', they'll run the other way.
- Responsive service from quoting prototypes to after-sales issues.
- Appreciation of the honor of being qualified to provide a next-generation technology. (This should especially have meaning/value in Asia.)
- Promotion of the technology to existing customers and to the wider market in their region.

FT Supply Chain



Printed circuitry – economical sourcing of PCBs with thick copper (power requirement), thin FR4, gold- or tin-plating. Fast quoting. Fast prototype turnaround.

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- Heat sink / baseplates economical sourcing of stamped and extruded aluminum (and other metals), including machining. Fast prototype turnaround.
- Circuit board assembly has capability (or close business connection) to place and solder electronic components onto PowerSite and PowerFlex subassemblies.
- Sub-Contract Manufacturing (SCM) there will also be opportunities to provide entire assemblies, such as power supplies or adaptors, with OEMs. Providing this service, or managing this supply chain, could enhance profitability and/or ease-of-doing-business.

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PawerSite^{7M} solderable-pad technology is protected by US patent number 6129260, which defines the construction and process. PowerSites will gain additional protection – where the copper patches are formed by printing-and-etching – with the award of US pending patent application 2002/0092163

> request. J these will

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be awarded by the USPTO. [Details can be provided

FT 'INTELLECTUAL PROPERTY' PORTFOLIO

technology of a material or process for a subassembly, all the way to the final OEM product. This coverage provides a deterrent to patent violation that can be enforced if a module is shipped to the US for sale from a country that is Intellectual Property' (IP). United States patents are 'IP-challenged e critical to protecting a Their reach extends beyond critical ' (such as China) company's I the specific

This section reviews the Fraivillig Technology ' patent portfolio, and

In addition, our proprietary technology is protected the patent portfolios of the market leaders s in the therm d Thermagon-

The US patents, both awarded and pending.

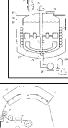
are reviewed for comparison. Comparing patent portfolios of these established companies with that of FT clearly demonstrates the innovative, market-changing nature of our technologies.

.... ratem ratem or US Patent and Trademark usage ('Cools') were added for reference. We are very confident that the pending patents will also be awarded, due to the absence of relevant prior art. Technologies are summarized in the chart below. The Patent Number and Patent Title are listed on US Patent and Trademark owned ष्ट्र Fraivillig

FRAIVILLIG PATENTS (awa arded and pending)

separation between conductive with thin coatings Ceramic particles ensure dielectric Description Bonding PCBs to heat sinks for intimate thermal contact Bonding multi-layer PCBs to heat sinks for intimate thermal contact Thermoplastic polyimide adhesive Bonding solderable foil to heat sinks for intimate thermal contact layers PCBsPCBsN.A.Devices Cools Bonding of a multi-layer circuit Circuit fabrication using a particle filled adhesive Solderable structures Paten Plexible laminates and method of making the laminates Tüle t to a heat sink

FT Intellectual Property portfolic



Automotive ceramic packaging runs at only 12-42Vdc. This market represents another significant potential for DCC (where single-layer circuits are required) and perhaps PowerFlex (where circuit complexity drives cost).

Market Leaders' IP Portfolios	Interestingly, Bergquist was awarded a p #6649325, that was innovative from a conc using classic thermoplastic restins as ad laminates but this technology would be (Been there, tried that) Based on FT exper of applications: <i>fully-cured thermoplas</i> polyimide—to not perform well in as packaging. [Details available upon request.]	Bergquist and Chomerics management industry. Cho military-side, Bergquistform Both were established in th products, each has sizable, ur significant (ouch-screen busil leader in electronic shielding world, including everything all thicknesses) to prenium circuit boards (IMS). To pr considerable list of thermal 1 back through 1986 are listed Their development efforts h composition of their exis incrementally boosting thexis	Thermal Managem	6197859 6165612 6090484 5950066 5679457	6898084 6797758 6657297 6650215 66649325 66649325 66624224 6399209 6339120	Patent Number
ios I	Interestingly, Bergquist was awarded a patent in late 2003, #6649325, that was innovative from a conceptual standpoint – using classic thermoplastic resins as adhesrivedideterics in laminates- but his lechnology would be problematic in use. (Been there, tried that.) Based on FT experience over a variety of applications: fully-curved thermoplastic resins –even polyimide—do not perform well in soldered electronic- packaging. [Details available upon request.]	 Bergquist and Chomerics were pioneers in the thermal management industry. Chomerics evolved from the high-colume commercial-side. Both were established in the 1960s. In additional to thermal products, each has sizable, unrelated businesses. Bergquist has the videst product is also the market leader in electronic shielding. Bergquist has the widest product line of thermal products in the world, including everything from commodity insulation pads (of all thicknesses) to premium "Insulated Metal Substrate" printed circuit boards (IMS). To protect this business, Bergquist has a back through 1986 are listed on the following pages. Their development efforts have been focused on the material composition of their existing conventional constructions, incrementally boosting thermal performance. In addition, there are no significant innovations in the "patent pending" pipeline. 	Thermal Management patents of Market Leaders	Composite pad w/ ceramic-filled plasticizer Composite pad w/ ceramic-filled film, plasticizer Composite pad w/ rubber, ceramic, plasticizer Phase-change material, based on wax with ceramic or metal powder Silicone rubber with ceramic filler	Heat spreader (hardware) Conductive paste, combo of solder, ceramic, wax Conductive pad, with skin layer Improved high-end heat sink (hardware) Thermoplastic-coated copper laminate Composite pads w/ solder, ceramic, oil Composite pads w/ solder, composite pads w/ solder, composite pads w/ solder,	Description
			LEADERS	Devices Devices Devices All All	CPU(s CPU(s) CPU(s) Devices, CPU(s, PCBs CPU(s, PCBs CPU(s) Printed circuits Devices Devices Devices Devices	Cools
9/3/2005	employees in 2004. NOTE: There are other thermal management companies in the world market, but most of their R&D efforts are also focused on incremental improvements in the performance of existing conventional products.	Chomerics has focused their development efforts on insulation pads (all thicknesses) and thermal compounds. Again, this entails incremental improvements of existing conventional products. Chomerics' patents are listed on a following page. Chomerics was purchased they Parker in the 1990s from WR. Grace, who purchased them in the 1980s from the founder and employees. Thermagon entered the thermal market in the early 1990s, and has gained sizable share in CPU thermal pads and metal-substrate PCBs. Until recently, their technology was 'protected' only by trade-secrets, and no US patents were issued. Since 2002, however, Thermagon has focused considerable patent effort on a single product: using low-temperature solder as a phase-change material. This is a simple-yet-ruly-innovative product, but its applicability beyond CPU-cooling in PCS might be limited Thermazon was purchased to the start (11K from the founder and Thermazon was unchased to the start (11K from the founder and the material. The start (11K from the founder and the substrate PCB).	9/3/2005	Thermally conductive interface pads for electronic devices Thermally conductive interface layers Thermally conductive filled polymer composites for mounting electronic devices and method of application Semisolid thermal interface with low flow resistance Thermally conductive interface for electronic devices	Thermal diffusion apparatus Morphing fillers and thermal interface materials Flexible surface layer film for delivery of highly filled or low cross-linked thermally conductive interface pads Finned heat sink Thermally conductive dielectric mounts for printed circuitry and semi-conductor devices and method of preparation Method of preparing thermally conductive compounds by liquid metal bridged particle elusters Integrated release films for phase-change interfaces Method of preparing thermally conductive compounds by liquid metal bridged particle elusters	Patent Title
Thermal Manager	4574879 (Pending) 20030187116 20030027910	Patent Number 5463530 4810563 4853763 4842911 4755249 466545 4602678	Thermal Manager	5298791 5213868 4869954	6835453 6705388 66643995 6432497 6096414 6054198 5350326 5510174	Patent Number
Thermal Management patents of Market Leaders	mounting holes Silicone rubber with ceramic on polyimide film Thick interface pad with solder, metals, ceramic, wax, etc. Interface materials with solder, ceramic, wax, etc.	Description Mounting power devices on both sides of a heat spreader Mounting power devices on single side of a heat spreader Unified design for mfg of heat sink with insulation pad Silicone rubber with ceramic filler on glass Unified design for mfg of heat sink with insulation pad Silicone rubber with ceramic filler on glass Unified design for mfg of heat sink with insulation pad Silicone rubber with ceramic filler on glass Unified design for mfg of heat sink with insulation pad Silicone rubber with ceramic filler on glass Unified design for mfg of heat sink with insulation pad	Thermal Management patents of Market Leaders	Improved heat sink surface for thermal Improved heat sink surface for thermal Import of the thermal transfer Urethane with ceramic	Interface pad of 'Vin foil' with wax and ceramic Heat spreader plate with PSA Release liner for interface materials Interface pad of double-sided tape Shicone rubber with ceramic filler on Interface pad with wax and ceramic Heat spreader plate with PSA New ceramic filler	Description
S	(Jlangeel) Devices (Jlangeel) Devices, CPUs, PCBs Devices, CPUs, PCBs			All All		Cools
		Patent Title Dual sided laminated semiconductor mounting Thermally conductive, electrically insulative laminate Mounting base pad means for semiconductor devices and method of preparing same Interfacing for heat sinks Mounting base pad means for semiconductor devices and method of preparing same Method of preparing interfacings of heat sinks with electrical devices Method of making a mounting base pad for semiconductor devices Method of making a mounting base pad for semiconductor devices Method of near sinks with electrical devices, and the like Mounting pad with tubular projections for solid-state		Thermally conductive electrical assembly Thermally conductive interface materials and methods of using the same Thermally conductive materials	Clean relase, phase change thermal interface Non-electrically conductive thermal dissipator for electronic components Clean relase, phase change thermal interface Double-side thermally conductive adhesive tupe for phasic- packaged dectronic components High dielectric stength thermal interface material Conformal thermal interface material Gonformal thermal interface material Heat displator for electronic components Heat displator for electronic components Thermally conductive materials containing titanium diboride filler	Patent Title
9/3/2005	x melting metal with ace materials	nounting ulative laminate nductor devices nductor devices east sinks with ad for al devices, and the 5 for solid-state	9/3/2005	ahods of using the	or electronic I release liner - for plastic- tail ail nic components	

Patent Number Description

Cools

Patent Title

CHOMERICS PATENTS (awarded, none pending)

BERGQUIST PATENTS (awarded)

6372997 6617517 6761928 6849941 20020148635 20020154485 20030007329 20050045372 20050073816 (Pending) Patent Number THERMAGON PATENTS (awarded and pending) Interface pad of metal foil and solder Interface pad of metal foil and solder Interface pad of copper and solder (thick) Interface pad of copper with solder Interface pad of copper with solder Interface pad of copper with solder Description Interface pad of copper (or aluminum) and nickel and solder Interface pad of copper and solder Heat spreader with solder interface CPUs CPUsCPUs CPUs CPUs A llCPUs**CPUs** CPUs Cools Multi-layer structure and method for forming a thermal interface with low contact resistance between a microelectronic component package and heat sink Multi-layer structure having a thermal interface with low contact resistance between a microelectronic component package and a heat sink Multi-layer structure and method for forming a thermal interface with low contact resistance between a microelectronic component package and heat sink microelectronic component package and heat sink Multi-layer structure and method for forming a thermal interface with low contact resistance between a microelectronic component package and heat sink Multi-layer structure and method for forming a thermal interface with low contact resistance between a Thermal interface assembly and method for forming a thermal interface between a microelectronic component package and heat sink Thermal interface structure for placement between a microelectronic component package and heat sink Heat spreading thermal interface structure Heat sink and heat spreader assembly Patent Title

9/3/2005