

EXECUTIVE SUMMARY

# Wohlers Report 2003

Rapid Prototyping,  
Tooling &  
Manufacturing  
State of the Industry

Annual Worldwide  
Progress Report



TERRY WOHLERS



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First Edition  
Printed in the United States of America

1 2 3 4 5 6 7 8 9 10 05 04 03

## Wohlers Report 2003

This eight-page executive summary provides an overview of the information published in *Wohlers Report 2003*, a 270-page, softbound publication. The report addresses many aspects of rapid prototyping, including the industries served, applications, revenues, unit sales, and forecasts. It also provides current information on industry trends and developments in the areas of service providers, advanced approaches to tooling, system manufacturers, and technology advances in the U.S., Europe, Asia, and other parts of the world.

The report covers research and development activities, growth trends in CAD solid modeling, rapid prototyping materials, medical modeling, rapid manufacturing, and reverse engineering. *Wohlers Report 2003* concludes with a discussion of the future of rapid prototyping—where it is headed and what to expect—to assist in strategic and tactical planning. To support the review and analysis, the report includes 27 charts and graphs, 31 tables, 97 photographs and illustrations, and seven appendices.

## Introduction

*Rapid prototyping (RP)* refers to the physical modeling of a design using digitally driven, additive processes. RP systems quickly produce models and prototype parts from 3D computer-aided design (CAD) data, CT and MRI scans, and data from 3D digitizing systems. Using an additive approach, RP systems join liquid, powder, or sheet materials to form physical objects. Layer by layer, RP machines process plastic, paper, ceramic, metal, and composites from thin, horizontal cross sections of a computer model.

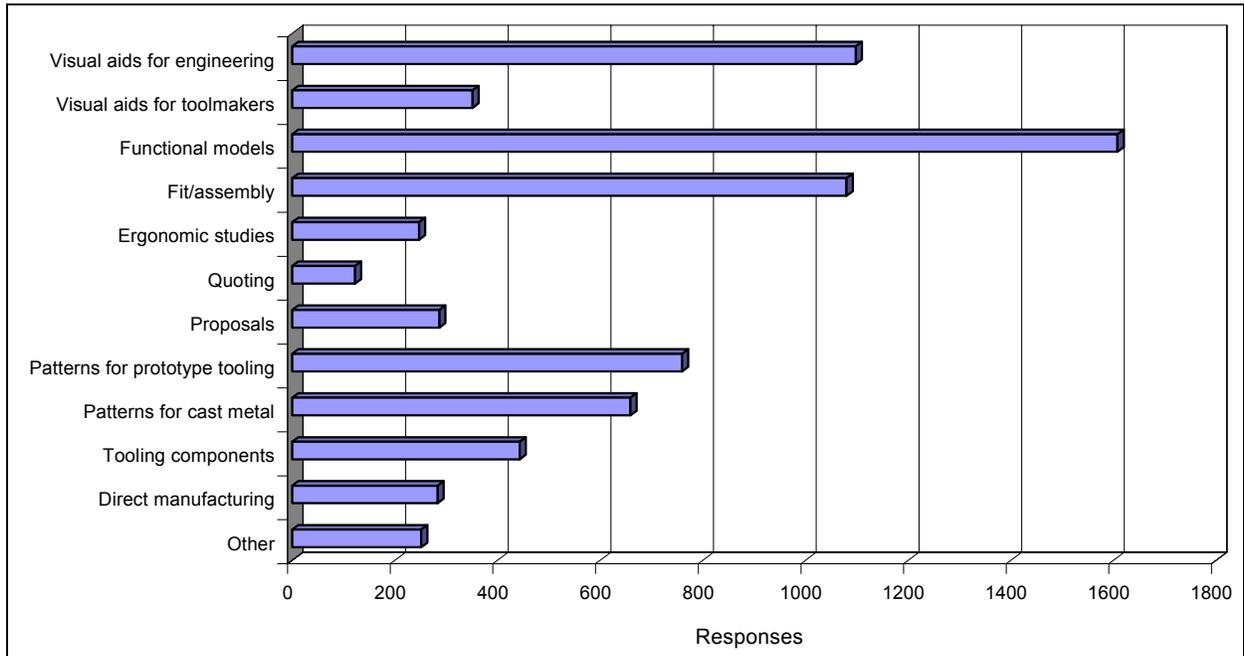
Design and manufacturing organizations use RP to produce models, parts, and patterns for products in the consumer, industrial, medical, and military markets, to name just a few. Copy machines, computers, mobile phones, automobile instrument panels, airplane subassemblies, power tools, and medical diagnostic equipment are just the beginning of a long list of products that have benefited from RP.

Methods, processes, and systems for *rapid tooling (RT)* are also developing. While early efforts were focused on faster delivery of tooling, new developments are underway that improve the performance of short-run and production tooling. Many of these new concepts involve one of the additive RP processes to achieve results that are unthinkable in machined tooling.

RP has a profound impact on the way companies produce models, prototype parts, and tooling. Companies are now extending the application of the technology to the production of finished goods. Some believe this practice, termed *rapid manufacturing (RM)*, will rapidly grow and ultimately overshadow the rapid prototyping and rapid tooling markets.

## How RP models are being used

The following graph shows how companies are using RP models. The length of each bar reflects the relative number of responses received from those surveyed. As indicated in this graph, applications are as diverse as the industries that use RP. What is not shown is that a single RP model is often used for two or more applications.



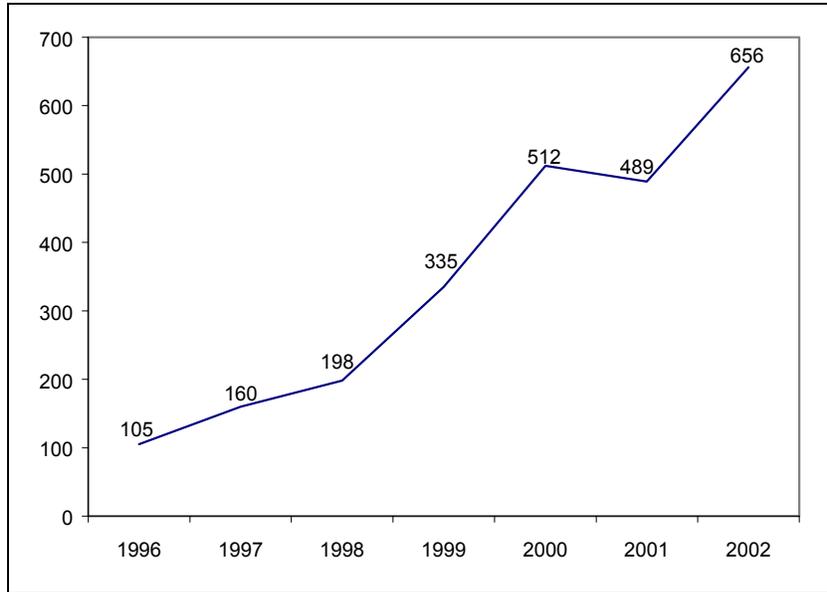
Source: Wohlers Report 2003

**Industry growth**

Years of growth and decline in rapid prototyping have become the norm. With companies constantly entering and leaving this industry, it is no wonder so many are unclear about the technology’s future. Yet, RP continues to grab the interest and imagination of many around the world. Once considered to be just a tool for prototyping, RP has expanded into an impressive range of industries and applications. In the future, the expansion will include organizations, industries, and applications that use RP in ways that today are hard to fathom.

The average annual growth of RP over its entire history has been exciting. The last two years, however, have been a disappointment, as illustrated by the charts, graphs, and tables in the 270-page report. Machine manufacturers and service providers continue to face a host of challenges that just will not go away. Revenues in nearly all areas of the industry were down, with the service sector being hit the hardest. On a positive note, machine unit sales were up, with 3D printer sales faring especially well. The number of prototype parts built last year also increased. However, 2002 was a struggle for most companies in this business.

As the industry develops and matures, there will be a dramatic increase in the application of the technology for early concept models and finished manufactured parts. As shown in the following graph (showing annual unit sales), the rise of 3D printers, most commonly used for concept modeling, has begun.

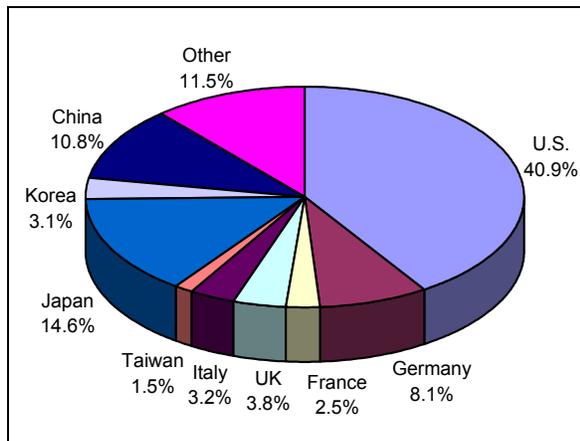


Source: Wohlers Report 2003

For RP to better penetrate new markets, a number of changes must occur. Machines must become less expensive to buy and easier to use and maintain. To entice more users to adopt RP, system prices and the overall cost of ownership must drop further. Materials must improve. New machines and applications must develop that support the production of finished manufactured parts, versus models and prototypes. And finally, the economy must improve and conflicts around the world must be resolved so that capital spending returns to the levels of the past.

### Installations by country

Countries around the world continue to adopt RP technology. The following chart shows the systems sold and installed by country in 2002. China edged ahead of Germany for the first time in the history of rapid prototyping. The share held by the U.S. is expected to decline in the years to come as China and other countries embrace the technology.

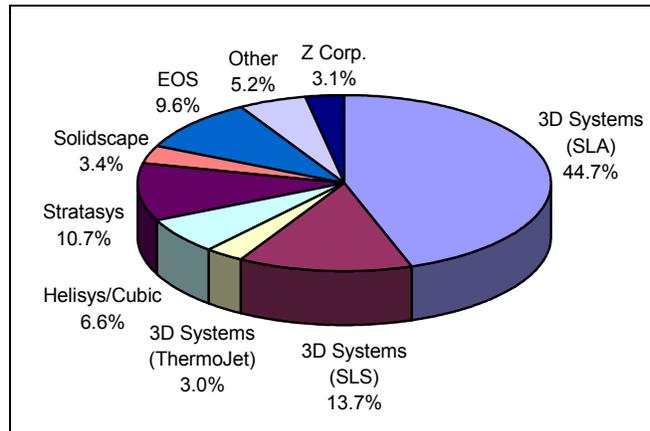


Source: Wohlers Report 2003

**Machines at service organizations**

Service providers, also referred to as service bureaus, offer prototypes to design and manufacturing organizations as an outsourced service. These companies also offer design, CAD, data translation, tooling, urethane casting, reverse engineering, and other engineering and manufacturing services.

Through the end of 2002, 3D Systems dominated the installed base of RP machines at these companies, as indicated in the following chart. 3D's share grew from 57.3% in 2001 to 61.4% in 2002. 3D Systems' technologies include stereolithography (44.7%), laser sintering (13.7%), and Multi-Jet Modeling (3%). Stratasys is the number two supplier of RP machines to service providers with 10.7%. EOS is third with 9.6%.



Source: Wohlers Report 2003

**Rapid manufacturing**

Rapid manufacturing is a vision of the future for many and a reality for a few, but for both, it lacks a clear definition. Beyond the concept of producing products quickly, there is little agreement on its definition. For some, it can mean making end-use parts quickly—by any manufacturing method. For others, it requires the use of an additive freeform fabrication process somewhere along the production chain. Align Technology's InvisAlign manufacturing process is an example of this second definition. The company uses stereolithography to make patterns for thermoforming clear plastic aligners for straightening teeth. Although this is an important application for stereolithography and an often-cited example of RM, it does not conform to the stricter definition of rapid manufacturing.

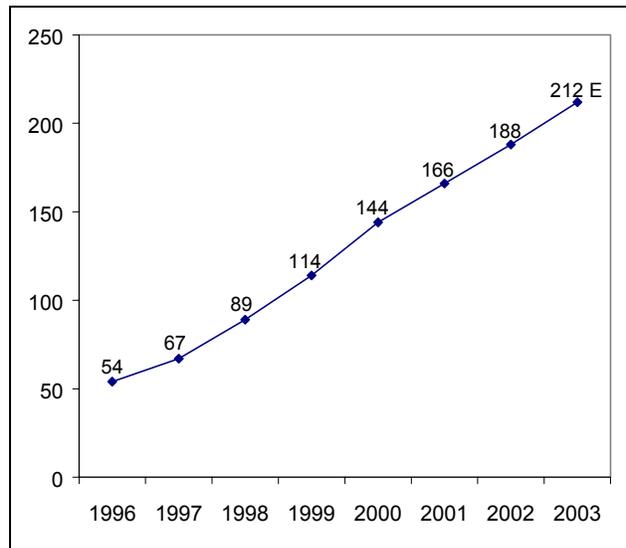
The definition of RM used in *Wohlers Report 2003* is clear and precise. Rapid manufacturing is the direct production of finished goods from a rapid prototyping (RP) device. The technique uses additive processes to deliver finished goods directly from digital data, which eliminates all tooling. As RM technology further develops, the layer-based approach of RP may be combined with subtractive (machining) operations or replaced by additive processes that use a multi-axis approach instead of a layered process. However, the definition of RM will continue to be the direct production of finished goods through additive processes that eliminate tooling.

Currently, there are no rapid manufacturing systems. However, RP systems are being used successfully in RM applications for the production of end-use parts. In this role, the RP devices become general-purpose systems that

are not designed for manufacturing applications. Therefore, there are problems with these systems that must be addressed for RM to succeed and flourish. These include surface finish, repeatability, and material properties, among others. The industry is currently in a transitional phase where RP systems, in spite of their limitations, produce low volume and customized parts. Rapid manufacturing systems, with the desired speed, cost, and quality, do not exist at present. They will in the future.

**Research and development**

A staggering number of research and development projects are underway at universities, institutes, government laboratories, and corporations around the world. These efforts are evidenced by the increasing number of patents issued, as shown in the following graph, and threefold growth in patent applications from 2001 to 2002. (The figure for 2003 is an estimate.) Much of the funding is coming from government programs. Meanwhile, an increasing number of companies from Europe, Asia, and other parts of the world are entering the industry.



Source: Castle Island Company

The trend for the last few years has been toward improving existing RP methods, or exploring significant variations of them, rather than establishing entirely new technologies. This trend continued in 2002. An additional trend of combining aspects of two or more existing technologies is also becoming apparent. These R&D efforts are addressing the limitations of the technology in areas such as materials, accuracy, and speed.

Methods of rapid tooling were once thought to be a key to RP’s potential, but many of these have yet to meet expectations. In many cases, the applications and goals—not the technology—have been the limiting factors. With a change in direction, some companies are pursuing interesting developments and applications in rapid manufacturing, and they are on the verge of something very big.

## The future

The rapid prototyping industry is on the cusp of monumental change. Advances in technology, materials, and operations will combine with new applications and processes to transform the RP industry. As these developments unfold, there will also be widespread change in design and manufacturing.

The industry is poised for change, but it will take time for the transformation to develop fully. In the short-term (one to three years), the industry will experience small, incremental changes. This will be followed by the mid-term, a transitional phase that will occur in four to six years. With the developments of the mid-term, the industry will be positioned for the sweeping changes of the long-term phase, which will occur seven to 10 years from now.

Change is inevitable, but few things change overnight. With the insight into the future offered in this forecast, companies in the RP industry will have sufficient time to plan and build for the new reality.

A revolution is quietly building. Over the next few decades, it will have taken hold and changed the way design and manufacturing are done. The revolution will sweep across industries as diverse as biomedicine and aerospace, where each will have their own specialized technologies. The new age is coming, and perhaps historians will document it as the digital industrial age.

## Acknowledgments

The author thanks Accelerated Technologies for its kind support and sponsorship of this publication. Accelerated Technologies is a leading rapid prototyping service provider that helps companies bring better products to market faster. You can reach the company at 512-990-7199 in Austin, Texas, or 859-692-2600 in Erlanger, Kentucky. The company's website is [www.acceleratedtechnologies.com](http://www.acceleratedtechnologies.com).

The author appreciates the individuals and organizations that contributed to this report. A very special thank you to Todd Grimm for the immeasurable time and insight that he provided. Thanks to Mike Durham for teaming with Wohlers Associates to estimate the size of the service provider market. Thanks to Paul Besl, Ed Grenda, Michael Siemer, Joel Segal, and the team led by Philip Dickens at Loughborough University for their substantial contributions. The author wishes to thank the 26 system manufacturers and 40 service providers that provided valuable input. And finally, the author thanks the following individuals for their kind and helpful support.

Paul Besl	General Motors
Nico Blessing	FhG Institute for Mfg. Eng. & Automation (Germany)
Tim Caffrey	Caffrey Consulting
Andy Christensen	Medical Modeling LLC
Vesna Cota	Tyco Electronics Canada Ltd. (Canada)
Deon de Beer	Technikon Free State (South Africa)
Jonas de Carvalho	University of São Paulo - São Carlos (Brazil)
Stuart Clyens	Danish Technological Institute (Denmark)
Carl Dekker	Met-L-Flo Inc.
Philip Dickens	Loughborough University (England)
Niek Dijkshoorn	TNO Industrial Technology (The Netherlands)
Mike Durham	Accelerated Technologies
Willie du Preez	CSIR (South Africa)
Frits Feenstra	TNO Industrial Technology (The Netherlands)
Boris Fritz	Northrop Grumman Corp.

Jim Gentrup	Provident Equity Research
Vito Gervasi	Milwaukee School of Engineering
Ian Gibson	University of Hong Kong (China)
Tim Gornet	University of Louisville
Tom Greaves	New Directions Consulting
Joe Greco	Greco Consulting
Ed Grenda	Castle Island Company
Todd Grimm	T.A. Grimm & Associates, Inc.
Richard Hague	Loughborough University (England)
Russ Harris	Loughborough University (England)
Berndt Holmer	IVF Industrial Research and Development Corp. (Sweden)
Neil Hopkinson	Loughborough University (England)
Masato Imamura	Tokyo Research Center (Japan)
Luca Iuliano	Politecnico di Torino (Italy)
Tahar Laoui	University of Leuven (Belgium)
Andrew LeFever	Johnson Controls
Candice Majewski	Loughborough University (England)
Bent Mieritz	Danish Technological Institute (Denmark)
Bill Mutch	Belcan Corp.
Mike Naylor	Arrk Silhouette (Australia)
Joel Segal	University of Nottingham (England)
Michael Siemer	Walt Disney World Company
Geoff Smith-Moritz	CAD/CAM Publishing
Rupert Soar	Loughborough University (England)
Tom Sorovetz	DaimlerChrysler
Brent Stucker	Utah State University
Graham Tromans	Loughborough University (England)
Jukka Tuomi	Helsinki University of Technology (Finland)
Pamela Waterman	EngineeringInk
David Wimpenny	De Montfort University (England)
Millan Yeung	National Research Council of Canada (Canada)

The author also wishes to thank the Manufacturing Network–Manet (Brazil), Arrk Silhouette (Australia), Black & Decker Canada, Wentworth Mold Inc., Fused Metals Inc., Qualicase Ltd., SIG Ryka Inc., Leader Industries Inc., Honeywell, Muro, Tyco Electronics Canada Ltd., and the Canadian Plastics Industry Association (CPIA), for contributing to this report.

## About the author

Industry consultant, author, and speaker Terry Wohlers is president of Wohlers Associates, Inc., an independent consulting firm he founded 17 years ago. For the majority of this time, he has served as a voice in the rapid prototyping and manufacturing industry. He has been quoted in the *Los Angeles Times*, *LA Daily News*, *The Economist*, *FORTUNE* magazine, and countless domestic and foreign magazines, journals, and newspapers. In October 2001, Terry served as analyst in a fast-paced television show on ABC, and has been interviewed twice on German radio. In 1994, Terry presented the critical importance of rapid prototyping technology to the Under Secretary for Technology at the U.S. Department of Commerce.

Terry has authored more than 275 books, articles, reports, and technical papers on engineering and manufacturing automation. He has presented to thousands of engineers and managers and has been a keynote speaker at major industry events around the world. In the recent past, he has given featured presentations in China, Germany, Japan, Puerto Rico, South Africa, UK, and USA. His appetite for adventure has driven him to climb the Great Wall of China, hike the rain forests of New Zealand, dive among sharks in Belize, bathe in the Dead Sea, and encounter lions and rhinos in Africa.



In 1992, Terry led a group of 14 individuals from industry and academia to form the first association dedicated to rapid prototyping. In 1993, the association joined the Society of Manufacturing Engineers (SME) to become the Rapid Prototyping Association (RPA) of SME. In 1998, Terry co-founded the Global Alliance of Rapid Prototyping Associations (GARPA) involving 15 member nations around the world. Today, GARPA serves as a catalyst for the exchange of information on rapid prototyping and tooling across international borders.

## How to order the report

In the U.S., *Wohlers Report 2003* is available for \$395, which includes Priority Mail shipping. For orders outside the U.S., the price is \$425, which includes Global Priority Mail shipping in most countries.

To order one or more copies, please provide a Visa, MasterCard, or American Express number and expiration date by fax, phone, or e-mail. Contact information is provided below.

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Additional information, including an order form, is available at [wohlersassociates.com](http://wohlersassociates.com). The website provides access to more than 200 related websites, 190 pages of content, and 120 articles, technical papers, reports, and other documents on rapid prototyping, tooling, and manufacturing, 3D printing, CAD/CAM, and reverse engineering. All 120 documents are available to read on-line free of charge.

## ACKNOWLEDGMENTS

## ABOUT THE AUTHOR

## FOCUS OF THIS REPORT

## INTRODUCTION TO RAPID PROTOTYPING

## PART 1: BACKGROUND

### HISTORY OF RP SYSTEMS

### INDUSTRIES BEING SERVED

- How RP models are being used
- Installations by country

### APPLICATIONS

- Communication
- Engineering changes
- Good ideas and powerful proposals
- Concept models
- Verifying CAD databases
- Styling, ergonomic studies
- Functional testing
- Prototypes
- Metal castings
- Early input from suppliers, toolmakers
- Quote requests
- Tooling
- Rapid manufacturing
- Unlimited potential

## PART 2: INDUSTRY GROWTH

### REVENUE GROWTH AND FORECASTS

- Revenues from products and services
- Annual revenue growth percentages
- Comparing growth of RP and machining markets
- 3D Systems dominates
- Material sales
- Revenues from service providers
- Secondary market
- Revenues from other services

### UNIT SALES GROWTH AND FORECASTS

- Unit sales growth percentages
- Stratasys leads
- Systems sold by region
- Cumulative systems sold by region
- Market shares by U.S. manufacturers
- Market shares by Japanese manufacturers
- Cumulative market shares by manufacturer
- Unit sales by manufacturer and year
- 3D printer sales by manufacturer and year

### NUMBER OF MODELS BEING PRODUCED

### SERVICE PROVIDERS

- Growth and location
- Mix of machines
- Market segment continues to shrink
- Number of models produced annually
- Working with service providers
- Challenging times
- Change threatens service providers
- What lies ahead?

## PART 3: TOOLING

### ADVANCES

- Growing list of methods
- Improved thermal management
- Risk factors

### INDIRECT APPROACHES

- Silicone rubber tooling
- Epoxy-based composite tooling
- Spray metal tooling
- RSP Tooling
- Ford Sprayform
- Cast kirksite tooling
- RPM (rubber plaster mold) casting
- 3D Keltool
- PolySteel
- EcoTool
- Swiftool
- PHAST
- V-Process
- Reconfigurable Tooling Systems
- Others

### DIRECT APPROACHES

- Direct AIM tooling
- SLS tooling
- DMLS
- Others

### OTHER OPTIONS

CNC-machined tooling

Laminate tooling

Hybrid tooling

Space Puzzle Molding

### TOOL DESIGN SOFTWARE

- Magics Tooling
- FlashTL Mould
- Other products

### SIZE OF TOOLING MARKET

- Aluminum tooling
- Projected growth rates
- Metal part fabrication

### TOOLING COMPARISON MATRIX

## PART 4: SYSTEM MANUFACTURERS

### 3D SYSTEMS

- Sony licensing
- InVision
- New materials
- Other activities

### ARCAM

### BEIJING YINHUA

### CONCEPT LASER

### CUBIC TECHNOLOGIES

### ENVISIONTEC

### EOS

- U.S. market
- Further developments

### F&S

### GENERIS

### KINERGY

### OBJET GEOMETRIES

- Eden machine
- Other movements

### OPTOMECH

### PHENIX SYSTEMS

### POM

### PROMETAL

### SANDERS DESIGN INTERNATIONAL

### SHANGHAI UNION TECHNOLOGY

### SOLIDICA

### SOLIDSCAPE

### STRATASYS

- Dimension credited with success
- New business development
- Further activities

### WUHAN BINHU

### Z CORP.

- Revenues and unit sales
- Revamped product line
- New markets

### OTHERS

- Schroff
- Helisys
- Cubital
- Röders
- BMT

### REAL COST OF RP

### RP STOCKS

- Revenues and earnings
- Trends and areas of interest
- Outlook

## PART 5: ASIA & EUROPE

### ASIA

- China
- Hong Kong and Singapore
- Taiwan and Korea

### JAPAN

- RP strategy in Japan
- Stereolithography
- SL materials
- Non-SL technologies
- 3D Systems Japan K.K.
- Developments, trends
- Low-cost RP technologies
- Progress from CAD solid modeling
- Japan's future

### EUROPE

- RAPTIA
- NEXTRAMA
- United Kingdom
- Germany
- Italy
- Sweden
- Finland
- Denmark

The Netherlands

Belgium

### OTHER REGIONS

- Brazil
- South Africa
- Australia
- Canada
- RP groups and associations

## PART 6: RESEARCH & DEVELOPMENT

### PATENTS

### TECHNOLOGY IMPROVEMENTS

- Stereolithography
- Metal powder deposition technologies
- DMD and LENS
- LAM from AeroMet
- LS and related technologies
- Speed Part AB
- Selective Inhibition Sintering
- Inkjet
- Methods of extrusion
- Lamination techniques
- RP system components

### MATERIALS

- Photopolymers
- Three-dimensional printing
- Fused Deposition Modeling

### MANUFACTURING

- Industrial products, processes, components
- Medical, biotechnology, and chemistry-related products
- Electronics applications
- MICE
- Optomec's M3D

### TOOLING

### MESO, MICRO, AND NANO TECHNOLOGIES

- Shape Deposition Manufacturing
- EFAB from MEMGen

### MIT'S 3DP TECHNOLOGY

- 3DP process
- Major areas of focus
- Metal Matrix Cast Composites
- ProMetal
- Z Corp.
- Soligen
- Specific Surface
- Therics

### U.S. GOVERNMENT-SPONSORED R&D

- National Science Foundation
- Educational funding
- Traditional research programs
- Small business research programs
- Collaborative, cooperative, and consortium research
- Research instrumentation awards
- Career grants
- Department of Defense
- Department of Commerce
- Department of Health and Human Services

### RP ACADEMIC PROGRAMS

- RP educational activities
- Basic research activities
- Applied research activities
- Future trends and contributions from academia

## PART 7: RAPID MANUFACTURING

### WHAT IS IT?

### BENEFITS

- Product design
- Materials
- Custom products
- Prototyping and production
- Manufacturing location

### APPLICATIONS AND INDUSTRIES

- Air ducts for fighter jets
- Sintered parts for space
- Formula 1
- Military tanks
- Hearing instruments
- Submarine part
- Other possibilities

### WHEN IT MAKES SENSE

- Shape and size

Production volume

Quality

Cost analysis

### CHALLENGES AND NEEDED RESEARCH

- Processes
- Materials
- Product design
- Organization and management

## PART 8: OTHER DEVELOPMENTS

### GROWTH OF SOLID MODELING

- CAE and PLM/PDM
- Revenue and seat count estimates
- Bright future
- Large market potential

### RP MATERIALS

- Confusion over SL resins
- Discount suppliers
- Laser sintering powders
- Metal materials for sintering
- Aluminum on the horizon
- FDM materials
- Materials from Z Corp.
- Other material developments

### MEDICAL MODELING

- Machinery
- Transfer of medical imaging to RP
- Materials
- Research efforts
- RP's impact
- COMPRU
- Conjoined twins

### 3D DIGITIZING AND REVERSE ENGINEERING

- Technology
- 3D digitizing
- Limitations and other important issues
- Triangle meshes and surfaces
- Inspection
- Caveats

## PART 9: WHERE IT'S ALL HEADED

### POISED FOR CHANGE

### SHORT-TERM

- 3D printers
- Rapid manufacturing
- Rapid prototyping
- Standardization
- Tip of the iceberg

### MID-TERM

- Technology standards
- Specialization
- Technology and applications advance

### LONG-TERM

- Rapid manufacturing
- RM changes the process
- RM changes business processes
- Speed of change
- A new age

### WHERE TO LEARN MORE

- Internet mailing list
- GARPA
- RPA/SME

### APPENDICES

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- China
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- France
- Germany
- Israel
- Japan
- Singapore
- Sweden
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#### APPENDIX D: SYSTEMS MANUFACTURED OUTSIDE THE U.S.

#### APPENDIX E: MATERIAL PROPERTIES

#### APPENDIX F: 3D DIGITIZING SYSTEMS

#### APPENDIX G: REVERSE ENGINEERING SOFTWARE



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