The history of Tokyo Electron has been the history of the development of the electronics industry. But through all the variations in its business environment, TEL has always pursued a different path than others. Flexibly adapting its business concepts, the Company has led the way in the semiconductor industry through technological innovation.

**Phase One:**
Import Trading Company with Manufacturing Capabilities

**Phase Two:**
Foundation, Specialized Trading Company with Technical Services

**Phase Three:**
Manufacturer of Original Products, Strengthened R&D Capabilities

**Phase Four:**
Globalization

**External Environment:**
- Initial development stage of the semiconductor and IC market
- Mainframe computers are the main consumer for ICs, but consumer product applications are expanding
- Applications increase along with the spread of the Internet
- Applications expand to offices—PCs, workstations, and others
- The semiconductor industry entered a rapid growth stage as IC applications shifted to PCs, mobile phones, and other products for the consumer market. Logic chips instead of memory chips became the main technological driver in the industry. The foundry business in Taiwan and semiconductor production in Korea and the United States expanded sharply. During this period, TEL made strategic decisions to establish bases around the world to enable the Company sell directly to local customers and provide support services. In Japan, the Company built the advanced Process Technology Center, seeking to strengthen its overall process development capabilities. At this point, TEL had established a dominant position in the global market as a leading manufacturer of semiconductor production equipment.

**1963 – 1971**
TEL was established during the dawn of the semiconductor industry, which mainly resided in the United States, the center of semiconductor technology at that time. The Company started operations focused on a new business concept of supplying Japanese customers with after sales technology services for the electronics products at market. In the beginning, in addition to the import of leading-edge technology products, such as IC testers, diffusion furnaces, and electronic components, TEL also exported domestically manufactured VCRs, automobile radios, calculators, and other electronics products. Positioned as a specialty trading company with technological capabilities, the Company proceeded to build a business foundation based on achieving a high degree of customer satisfaction through quick and thorough technological services.

**1972 – 1981**
Although the main application for ICs was mainframe computers, applications were steadily expanding for such products as home appliances, calculators, and office equipment. In response to the diversification of specifications for semiconductor production equipment, TEL successively proceeded to develop and manufacture equipment domestically. The Company’s import business for electronic components, CAD/CAE systems, board test systems, and other products were also prospering. On the other hand, TEL exited from the calculator and automobile radio markets, where excessive competition was driving down profitability. During this period, the Company established a unique position for itself in the market as an import trading company with manufacturing capabilities.

**1981 – 1991**
During this phase, Japan’s semiconductor manufacturers began to emerge as market leaders through their production of DRAMs. Process technology of semiconductor production had become complicated. TEL expanded its product line up of semiconductor production equipment by forming joint ventures with leading overseas equipment manufacturers. As the technological requirements of semiconductor manufacturers became increasing sophisticated, the Company established its own R&D facilities, beginning to collaborate with customers in product development, pursuing higher value-added content in its own products. By further reinforcing its manufacturing and support services functions, TEL set the stage for the development of the semiconductor production equipment business that forms the core of its current business portfolio.

**1992 – 2002**
The semiconductor industry entered a rapid growth stage as IC applications shifted to PCs, mobile phones, and other products for the consumer market. Logic chips instead of memory chips became the main technological driver in the industry. The foundry business in Taiwan and semiconductor production in Korea and the United States expanded sharply. During this period, TEL made strategic decisions to establish bases around the world to enable the Company sell directly to local customers and provide support services. In Japan, the Company built the advanced Process Technology Center, seeking to strengthen its overall process development capabilities. At this point, TEL had established a dominant position in the global market as a leading manufacturer of semiconductor production equipment.

**Pictures:**
- Founders: Mr. Kubo and Mr. Kodaka, IC tester, Electric Calculators
- High-pressure oxidation system: UH-2506, Wafer prober production line, Computer peripheral
- Central Research Laboratory, Coater/Developer: Clean Track Mark II, Etching System: TE-480
- Tokyo Electron America (Austin Texas), Opening Ceremony for Tokyo Electron America, Inc., New Process Technology Center