

Cheil Industries says will mass-produce OLED material

DATE : 2014-04-28

Cheil Industries, Samsung's electronics materials affiliate, said Monday it would mass-produce a key raw material for organic light-emitting diodes that it has been developing for the past two years.

This marks the first time for a Korean company to develop and produce a host material for green phosphorescent organic light-emitting diodes, allowing display pixels to emit green light for improved brightness and power consumption.

"We have supplied the material to Samsung Display for Samsung Electronics' mobile devices. We cannot, however, specify models," a Cheil Industries official said.

The company will produce 5 tons of the component annually.

Industry sources claimed that the materials may have been used for Samsung Electronics' new flagship Galaxy S5 smartphones as its display brightness and power consumption have been significantly improved over its previous models.

Cheil Industries researchers examine raw materials for green phosphorescent OLEDs at its Gumi plant. (Cheil Industries)

"The green phosphorescent host material is essential for reducing handsets' power consumption and extending their (battery) lifespan," said Jang Jin, a professor at Kyung Hee University's Department of Information Display.

The development of its proprietary OLED materials is expected to help Samsung by reducing its heavy reliance on imported materials for its display panels, lowering production costs. Currently, Samsung Display receives most of its supplies from Japanese and U.S. companies.

"While most OLED equipment has been localized, OLED materials still come from foreign companies. Further localization will boost its cost-competitiveness," a Samsung Display source said.

Cheil Industries have zeroed in on the development of display materials since it invested 20 billion won (\$19 million) to set up an OLED plant in Gumi, North Gyeongsang Province, in March 2011.

In 2013, it acquired Novaled, a Germany-based OLED company that has around 530 patents and is a global leader in doping technology, which is used in the production of OLEDs.

The global OLED market is expected to hit 470 billion won this year, growing 30 percent annually. It is forecast to grow to 800 billion won in 2016 and 1 trillion won in 2017, according to global research firm HIS.

Cheil Industries expects to see its OLED sales reach 100 billion won this year, the company said.

"The development of technology for key OLED materials has upgraded the company's business capacity. We will continue to expand our global market network in line with the growing production of large OLED panels," Cheil Industries CEO Cho Nam-seong said in a statement.

The company will continue to expand its materials business in semiconductor and display panels by generating synergy with Samsung SDI, a lithium-ion battery maker, which Cheil recently merged with.

Cheil is expected to dissolve next month when SDI holds its shareholders meeting to gain approval for the merger.

Cheil's materials business made 1.6 trillion won in sales last year, accounting for 36.6 percent of the firm's 4.4 trillion won in overall sales.

SOURCE *The Korea Herald*