

# Fabrication business to add jobs at Zephyr Photonics

By Northern Nevada Business Weekly

Zephyr Photonics Inc., a manufacturer of highly sophisticated optical devices, said last week it's offering manufacturing services at its plant at Lake Tahoe to outside customers.

The upshot may be increased employment over the next couple of years for the company, which has employed about 30 people in recent years.

The company previously handled only its own work at the 17,000-square-foot Zephyr Cove facility which includes a 10,000-square-foot clean room.



Tom Steding, chief executive officer of Zephyr Photonics, said the company's new semiconductor fabrication and foundry services unit was created to meet the needs of companies that design and sell semiconductors but outsource the actual manufacturing to businesses known as semiconductor foundries.

The production services are an outgrowth of development and testing that Zephyr Photonics has provided under contract with customers in the technology sector, Steding said.

Zephyr has developed and manufactured optical-interconnection equipment that's used in harsh environments. Its customers include the U.S. Defense Department and industrial companies in the aerospace and energy sectors.

Tim McAllister, Zephyr Photonics' vice president of business development, said the company believes that the standards established for defense and intelligence contracts will help it win private work as well.

McCallister said the company expects to ramp up the contract manufacturing through 2013 and 2014, hiring at first to cover additional shifts within its current facilities.

Zephyr Photonics plans to further increase its production capacity with new facilities and new equipment next year, he said.

The new business unit marks another step in the repositioning of the company under new ownership.

The company was launched more than 25 years ago as Opticomp, and it operated as a small, stealth research firm that handled more than 60 research grants for federal agencies and defense contractors.

Torch Hill Investment Partners of Washington, D.C., bought the Lake Tahoe company in 2011 with a plan to move its work into the light of product-oriented commercial operations.

Since then, it's been developing contracts with companies such as Teledyne Microelectronic Technologies of Los Angeles to move its technology into commercial applications.