



CEO Forecast & Industry Vision

January 14, 2009

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Robert Gardner
Executive Director

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- Open Core Protocol International Partnership (OCP-IP)
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- Lincoln High School String Quartet

EDAC Staff



Jennifer Cermak
Sr. Project Manager



Robert Gardner
Executive Director



Paul Cohen
MTS

Tonight's Panel



Don Clark
Deputy Bureau Chief,
Wall Street Journal



Aart de Geus
Chairman & CEO,
Synopsys, Inc.



Rajeev Madhavan
Chairman & CEO,
Magma Design Automation



Walden C. Rhines
Chairman & CEO,
Mentor Graphics Corporation



Chris Rowen
Founder & CTO,
Tensilica, Inc.

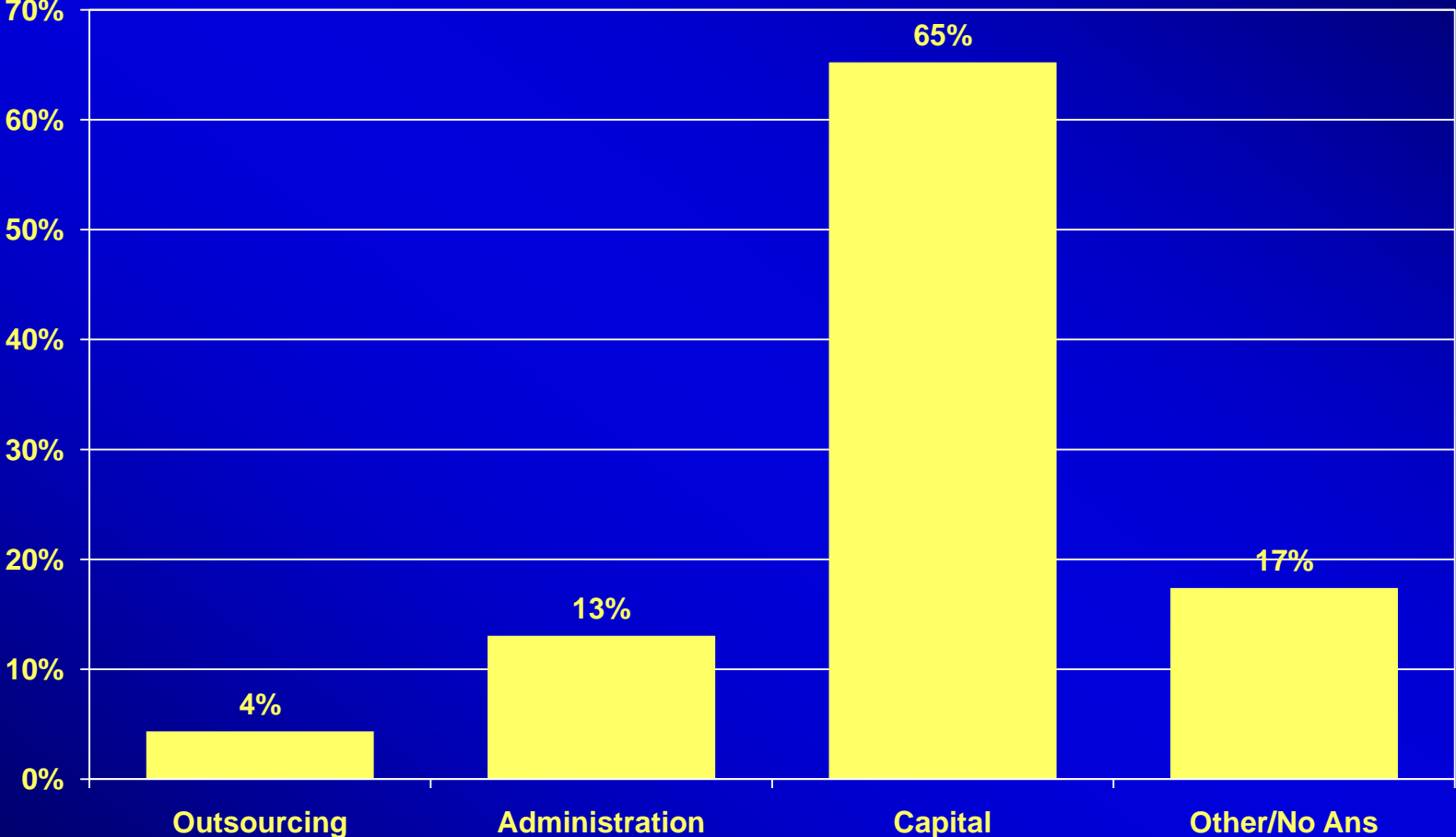
Industry Survey

- **Four Survey Questions**
- **Input for the Moderator**
- **115 Responses**

Survey Question 1:

- **What concerns you most about how the current recession will affect our industry?**
 - **Jobs being outsourced to “low cost” countries such as China and India**
 - **What impact the new administration will have on technology**
 - **Availability of capital**
 - **Other**

What concerns you most about how the current recession will affect our industry?



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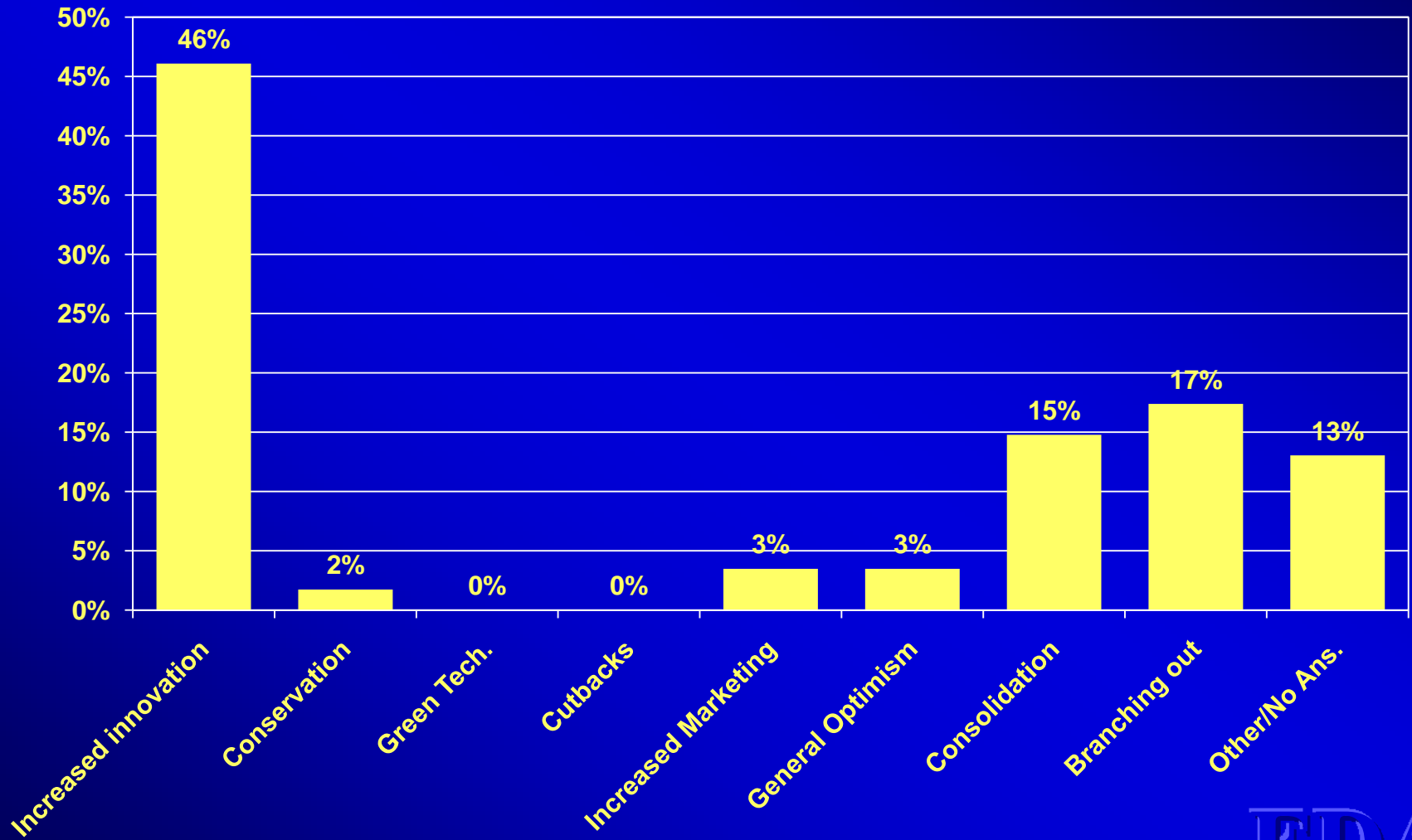
- **Other Responses**

- Outsourcing of R&D to low-cost regions would cause the quality and turnaround to deteriorate
- How will we retain institutional knowledge in this time of severe downsizing
- Trickle effects of how lower consumer product demand will reflect on EDA customer's product plans and ability to spend on EDA tools
- Overall state of our customer base (the semiconductor industry)

Survey Question 2:

- **What steps below do you believe will most ensure our success over this economic turbulence?**
 - Increased innovation and investment in R&D and in new technologies
 - Conservation; reducing our “carbon footprint”; telecommuting, etc.
 - Push to “green” technologies
 - Cutbacks in areas such as marketing
 - Increased marketing
 - General optimism and hard work
 - Consolidation through merger or acquisition
 - Branching out into adjacent technologies or applications
 - Other

What step below do you believe will most ensure our success over this economic turbulence?



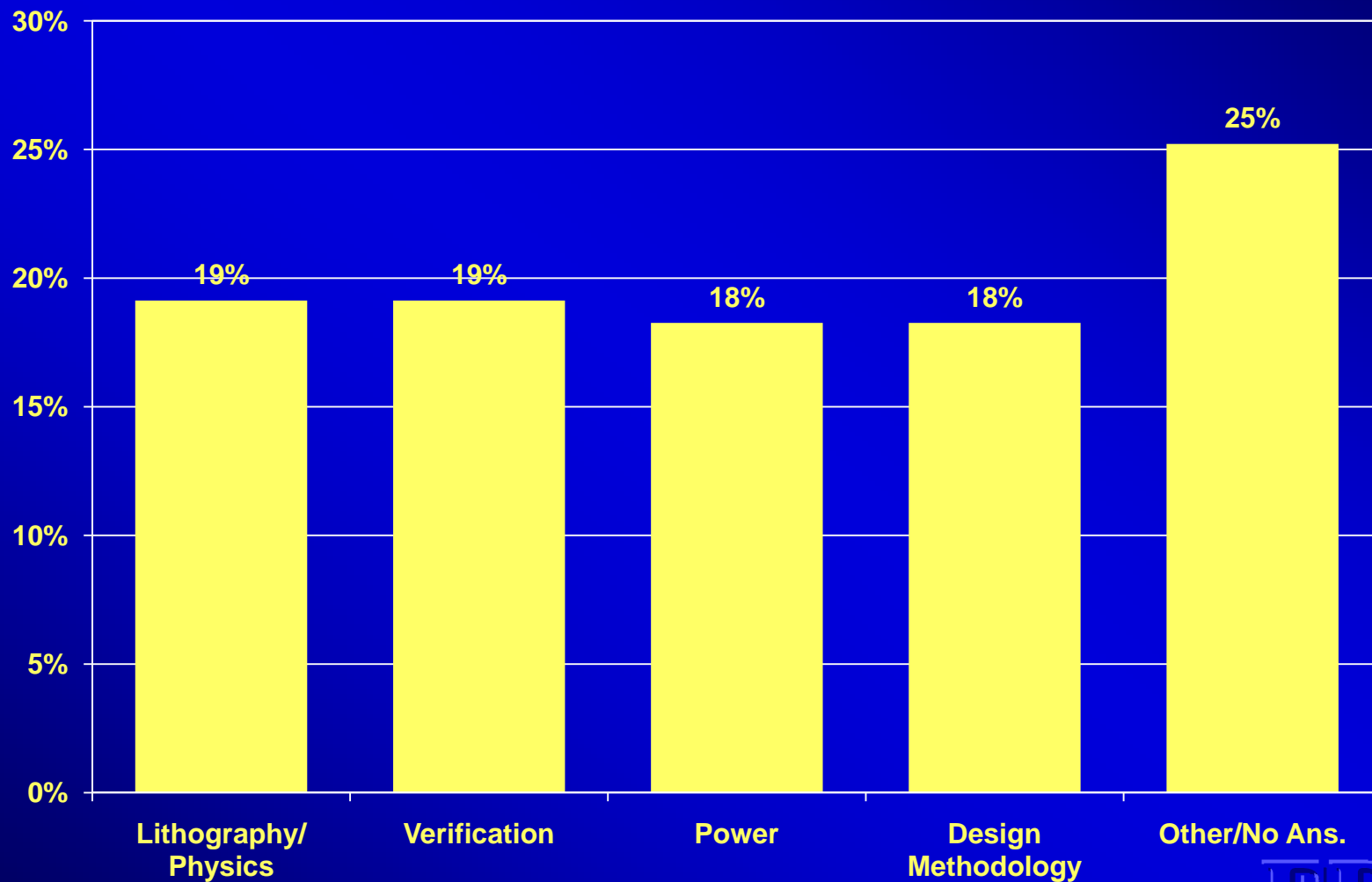
What step below do you believe will most ensure our success over this economic turbulence?

- **Other Responses**
 - Protecting our software technology and data from tampering
 - Better cooperation between EDA vendors and users to improve existing flows and methodologies as well developing tools for emerging technologies *before* users desperately need them
 - Re-think the business model and come up with new & different ways to derive value. Expand the scope of what EDA covers to include a wider part of system/product design
 - Blocking & tackling: runtime, quality, capacity. Delivering greater productivity to customers

Survey Question 3:

- **As designs move to smaller geometries, what is the biggest challenge we will face?**
 - **Lithography / Semiconductor Physics**
 - **Verification**
 - **Power**
 - **Design methodology**
 - **Other**

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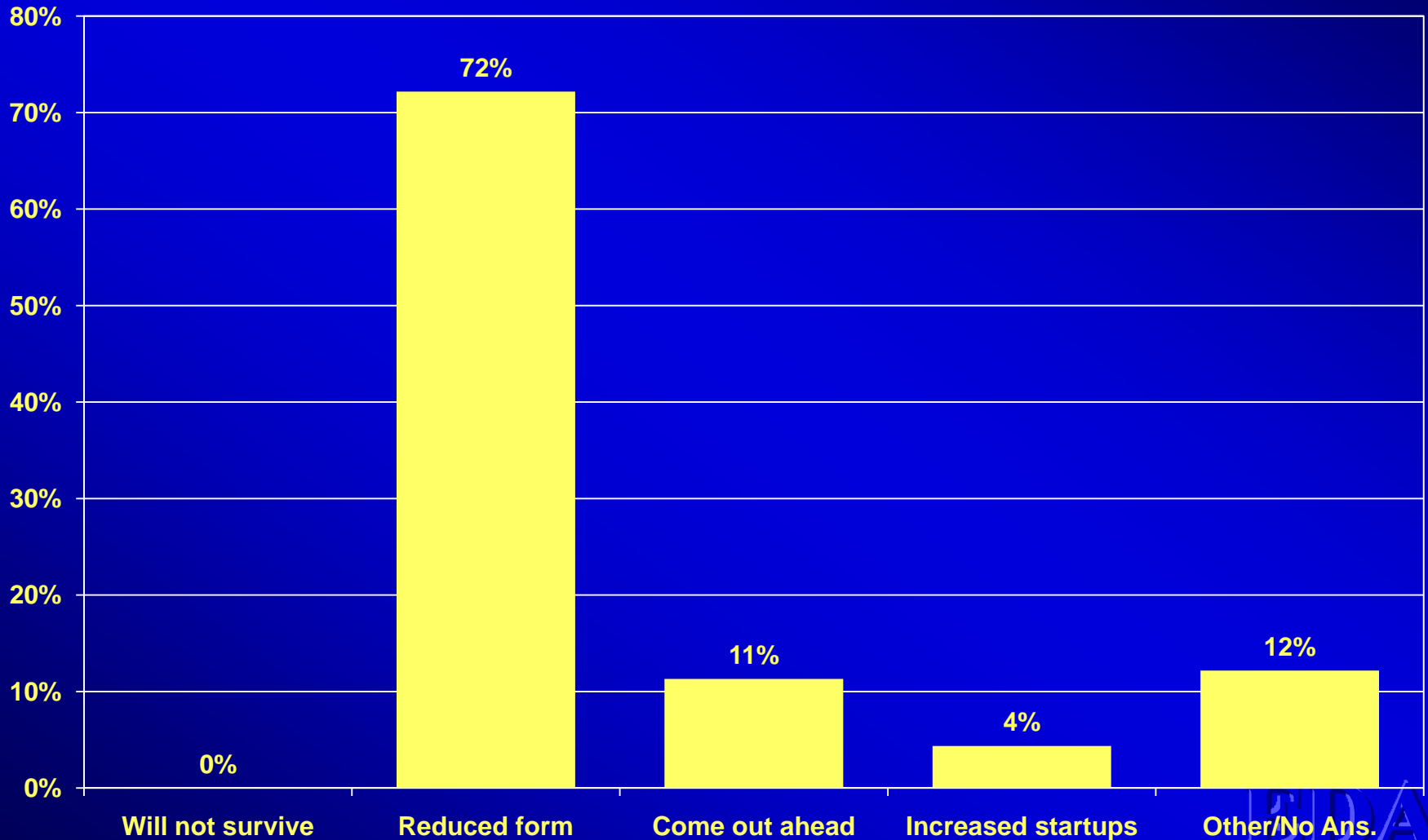
- **Other Responses**

- All of the above
- The cost of semiconductor design is so high that there are no new companies entering the market.
- The number of users for the smallest geometries will continue to go down due to cost and complexity.
- Designers will need better tools for “more than Moore” (package & die integration, multi-die packages, high-voltage ICs, mixed-signal SoCs and SiP solutions, etc.)
- Software

Survey Question 4:

- **What is your personal forecast for our industry in 2009?**
 - **The industry will not survive**
 - **The industry will survive, but in a reduced form**
 - **The industry will come out ahead**
 - **There will be an increase in startups**
 - **Other**

What is your personal forecast for our industry in 2009?

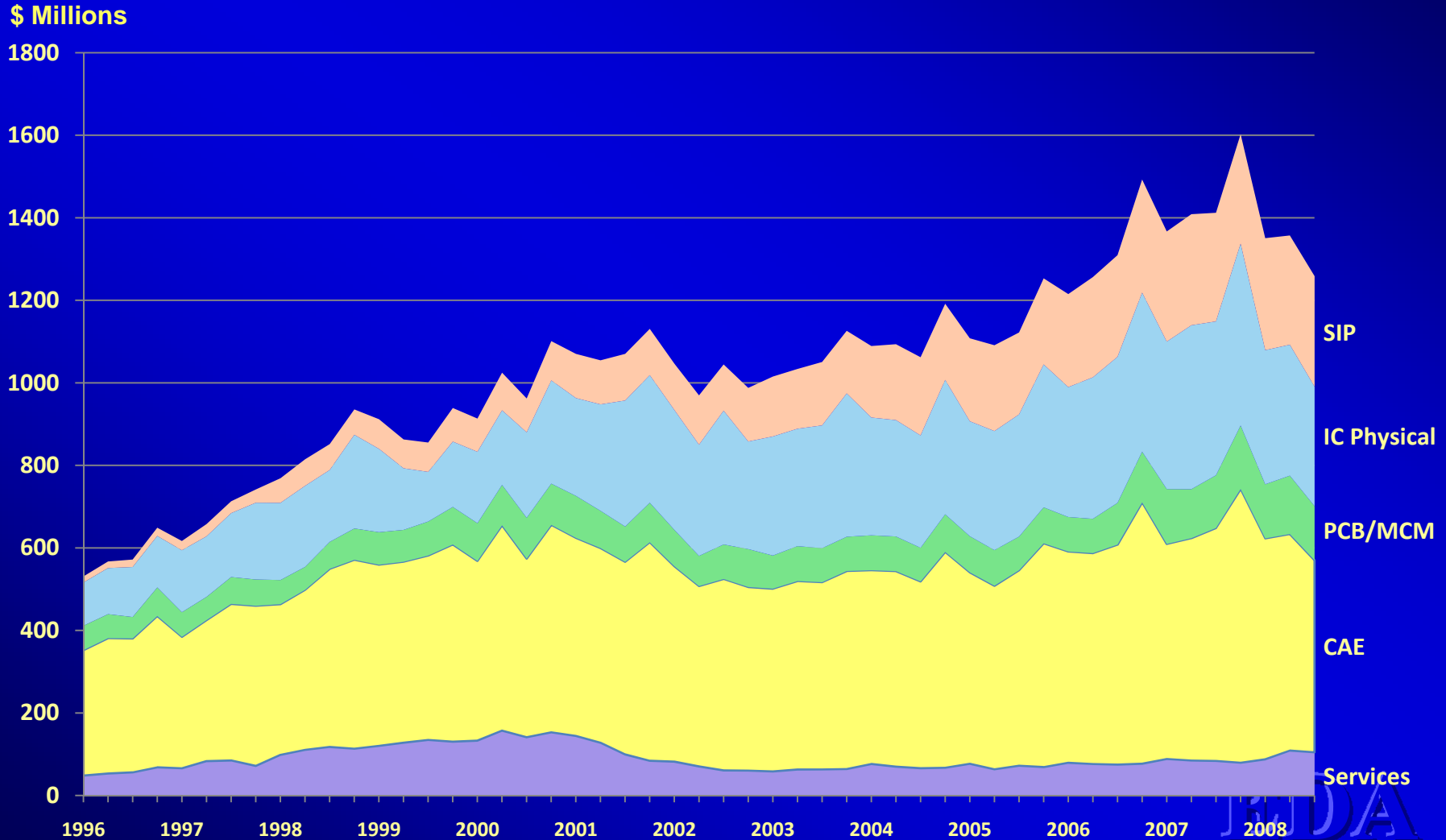


What is your personal forecast for our industry in 2009?

- **Other Responses**

- Innovation, creativity and invention will take us forward, just as they always have. We need to make sure that they are funded. This is and always has been our future.
- Flat revenue
- Cash will be king and small and medium firms with weak balance sheets will die or get acquired cheaply

MSS Report Shows Revenue Down 10.9% in the Third Quarter of 2008



Stock Price Contest

**Predict the stock price for the following
5 companies at the close of CY 2009:**

Company	12/31/2008	12/31/2009
Cadence	\$3.66	?
Magma	\$1.02	?
Mentor	\$5.17	?
MIPS	\$1.11	?
Synopsys	\$18.52	?

Stock Price Contest

- The individual with the closest estimate receives a pair of Bose® Quiet Comfort 2 noise cancelling headphones
- Winner will be announced at the 2010 CEO Forecast and Industry Vision



EDA Consortium Mission

- Work together to accomplish that which we can not do as individual companies

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EDA Consortium Member Companies

Acceleware Corporation

ACE Associated Compiler Experts

Agilent Technologies

Agility Design Solutions

Apache Design Solutions

Applied Wave Research

Arxan Technologies, Inc.

Atrenta

Azuro

Berkeley Design

Blaze DFM

Blue Pearl Software

Brion Technologies

Cadence Design Systems

Calypto Design Systems

Carbon Design Systems

Certess

ChipVision Design Systems

Ciranova

ClioSoft, Inc.

CLK Design Automation

CoFluent Design Inc.

Concept Engineering

CoWare

CriticalBlue

DAFCA, Inc.

Denali Software

EDA Centrum

edXact

Engineering DataXpress

Envis

ENOVIA

EVE-USA

Extreme DA

Forte Design Systems

Gradient Design Automation

Hewlett-Packard

IC Manage

Intel Corporation

Interra Systems

Jasper Design Automation

Legend Design Technology

Library Technologies, Inc.

Liga Systems, Inc.

LogicVision

Magma Design Automation

Maple Design Automation

Mentor Graphics Corporation

Merrill Lynch

MIPS

MP Associates

MunEDA GmbH

Nangate

Nascentric

OCP International Partnership

OneSpin Solutions

Orora Design Technologies

PDF Solutions

Physware, Inc.

Prolific

Pulsic Limited

Real Intent

Sagantec

Sequence Design

Sigrity

Silicon Frontline Technology

Silicon Integration Initiative

SoftJin Technologies

Solido Design Automation

SpringSoft Inc.

Sun Microsystems

Synfora Inc.

Synopsys, Inc.

SynTest Technologies

Tensilica

The MathWorks

Tool Corporation

Tuscany Design Automation

Verific Design Automation

V.i. Laboratories

Virage Logic Corporation

Xoomsys, Inc.

EDA Consortium Events

Mar./May, 2009	East Coast Meeting (TBA)	New England
June 11, 2009	Spring Member's Meeting	Silicon Valley, CA
July 26, 2009	Exec. Reception / DAC	San Francisco, CA
Nov. 15, 2009	Kaufman Award Dinner	Silicon Valley, CA

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