



## ***For Immediate Release***

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### **Semiconductor Industry Leaders Gather to Address Growth, Challenges and Economic Swings**

#### ***Singapore Semiconductor Industry Association Holds Annual Summit; Key Note Speaker Pasquale Pistorio Forecasts Future Industry Growth***

**SINGAPORE, November 10, 2011** – Singapore Semiconductor Industry Association ([SSIA](#)), the voice of Singapore’s semiconductor industry, recently held its flagship event – the annual [SSIA Summit](#) - a gathering of semiconductor industry leaders held on Oct. 31 in Singapore. Leading semiconductor companies, start-ups, investors, and industry analysts were on hand to discuss Singapore’s vital role in the overall semiconductor industry and share business insights, industry happenings, market projections, and trends. The event drew over 200 attendees.

The theme for this year’s SSIA Summit was “Made for the World: The Singapore Silicon Imprint.” With some of the industry’s biggest names giving presentations, including Pasquale Pistorio, Ulf Schneider, Joon Woon Chong, Mike Holt, and Andrew Chong, the event focused on how the [emerging semiconductor](#) ecosystem in Singapore is impacting the global semiconductor industry.

[Ulf Schneider](#), president of SSIA, opened the Summit describing the need for companies to work together during industry down turns, as well as how SSIA facilitates this. “In 2010, Singapore’s semiconductor industry enjoyed a booming year with full semiconductor fabs, experiencing a 26% growth of its electronics industry - or about three times the global electronics industry growth. In 2011, fab utilization is dropping, and many expect another cyclical downturn.”

Pasquale Pistorio, honorary chairman, ST Microelectronics, then discussed what may lay ahead - and how the industry should respond. “Excessive investment in inventory during expansion or economic slowdown, or both, has been the way of life in this industry,” said Pistorio. “The semiconductor industry is characterized by big market swings. In 2001, the swing was +69%. Now is a new swing. This is the first correction of this decade. This is the nature of the industry - this is business as usual.” Pistorio cited Future Horizon forecasts stating that Q3 will be flat (+/- 1%), Q4 will show a slight decline (-1/-2%) with total year growth of 1% as compared with growth of 2010 +32%. This results in a year-on-year swing of +31% from 2010 to 2011. Pistorio described expectations for 2012 as including a low first half, followed growth of +8% and 2013 growth of 22%. “The industry will reach the elusive \$400 billion mark in 2013,” noted Pistorio.

Pistorio then prescribed how the industry should react to this upcoming down turn. According to Pistorio, there are four crucial steps for companies to take:

1. Don’t panic. No across the board cuts, don’t stop strategic investment.
2. Push R/D. R/D must be accelerated, not slowed down.
3. Go shopping. Strong companies should buy distressed assets. Buy competitors.
4. Communicate: Management team must step up communications to employees and customers.

Joon Woon Chong, deputy director of electronics, Singapore Economic Development Board, then discussed the continued transformation of Singapore’s semiconductor industry, noting that, “Singapore capabilities include an entire ecosystem with a complete supply base in Singapore. Growth is a critical objective to the Singapore government as electronics is largest contributor to the Singapore GDP. Electronics make up 7% of Singapore’s GDP,

with semiconductors at 4.6%.” Chong went on to describe the need to transform Singapore's industry to include higher value added products and additional R/D.

Noting Singapore’s attractiveness to the semiconductor industry, Mike Holt, managing partner, Get2Volume Pte Ltd, discussed the needs of emerging semiconductor companies and how Singapore as a semiconductor community can address these challenges and take the industry to the next level. “Singapore’s fabless semiconductor environment is unique,” Holt noted. “Singapore has the pieces of a complete ecosystem to enable unfair advantage to semiconductor start ups. Singapore is also unique in that it is the only semiconductor center in the world that does not create its own semiconductor companies, and addressing this is tremendous growth opportunity for Singapore.” Holt went on to describe approaches to next stage growth via semiconductor company incubation, small to medium enterprise (SME) and multinational corporation (MNC) collaboration, and SSIA involvement in emerging semiconductor companies.

With foundries, contract test and assembly, available engineering talent, large, innovative MNCs, strong research institutes and engineering universities, and market proximity – Singapore plays a pivotal role in the global semiconductor industry. Many of the world’s leading fabless semiconductor companies have operations in Singapore, including Broadcom, Marvell, and MediaTek. SSIA is a growing association that serves as the voice for Singapore’s unique fabless semiconductor environment.

Videos and presentations from the SSIA Summit are available at [www.ssia.org.sg](http://www.ssia.org.sg) .

### **About Singapore Semiconductor Industry Association**

Singapore Semiconductor Industry Association (SSIA) is the voice of Singapore’s semiconductor industry. SSIA members today include companies and organizations throughout all parts of the complex and comprehensive value chain - IC design companies, Manufacturers, Fabless companies, Equipment suppliers, Photovoltaic companies, EDA and material suppliers, Training and service providers, IP companies, Research institutes and Academia, as well as individual members. The association started in 2005 under the name

“MIDAS” and is operating with an extended charter under the new name “SSIA” since early 2010.

For more information, please visit [www.ssia.org.sg](http://www.ssia.org.sg).

**Editor’s Note: Additional photos and videos are available upon request**

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